

Formalising the Informal: Recruiting through Intermediaries in Tema

A way out or a way to the bottom?

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DEDICATION

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ABSTRACT

This study is about the activities of labour intermediary agents in Tema, a port city and the hub of industrial activities in Ghana. The study set out to understand the extent to which recruitment arrangements with intermediary labour agents by employers affect the employment relations of temporary or casual workers in the study area.

Theoretical and empirical discourses on informalisation of work and flexible labour strategies constituted the frame for the study. Four intermediary labour agencies/agents were selected for interviews. A total of 24 casual/temporary workers from the 4 agencies/agents were included in the interviews.

Employment arrangement through intermediaries is emerging in Ghana. However, the nature of some of these labour intermediaries reveals that the processes underlying their current form are not new. Some of them have adopted and adapted some of the old ways of organising and managing casual workers into their operations. The insertion of labour intermediary agencies/agents into the recruitment process at the study area has had a contradictory effect on the actors involved - there are gainers and losers. The actors who gain from the whole arrangements are the labour intermediary agencies/agent and their clients. Contrary to the thinking that hiring of labour through an institutionalised agency leads to the formalisation of work, the situation in Tema points to deepen insecurity of temporary or casual work negotiated through agents; manifesting itself in increasing work irregularity, irregular and decreasing size of wages and other benefits, risky working environment and the drudgery nature of work. In the process, some individuals have lost their privilege positions whilst those who used to occupy the lower echelons of the casual labour market have been pushed further to the bottom of the barrel. All these have tended to worsen the conditions of the temporary or the casual workers.

Opportunities, however, exist either in the form of scaling up of some of the casual groups in Tema to embark on public action to cause a change in their employment conditions or the intermediary labour agents/agencies improve on their operations to enhance the conditions of the workers they supply.

Chapter One

Introduction

Formal sector employment in Africa is noted to be stagnating or shrinking in relation to an expanding informal sector employment with the latter associated with worsened employment conditions of varying dimensions. The informal sector expansion has been attributed in part to the massive public (formal) sector redeployment and retrenchment in the 1980s within the broader context of adjustment programmes.

The informal sector is considered a dynamic and autonomous safe haven for the unemployed, the redeployed and the retrenched. The assumption here is often that the informal realm is independent of the formal economy but the informal realm, in reality, is considered to be linked to the formal economy in a variety of ways. The actors in the formal economy are believed to be increasingly relying on informal ways of recruitment through intermediary labour agents or contractors for the supply of unskilled, semi-skilled or sometimes skilled labour with varying implications on the conditions of employment. This study does not intend to look into the whole realm of the Ghanaian urban informal economy. Instead, the focus is on that minuscule aspect of the informal realm - the flexible informal labour - who is being recruited through certain arrangements with intermediary labour agents.

A review of the literature on informality in Ghana suggests a lack of appreciation of these emerging informal labour arrangements within the current economic framework in Ghana. Yankson (1997), for instance, has expressed the need to undertake indepth studies into the effects of adjustment policies on urban employment, incomes and how individuals are adjusting to conditions of joblessness. The question that is raised here is: how well is the informal labour faring through their link with intermediary agents under the current urban economic environment?

The study aims at, in reference to Ghana, obtaining an insight into the intermediary activities of labour hire intermediaries, and how their intermediary role influences employment relations and hence the security of employment of the informal/casual

worker and second, to get an understanding of firms' motivations to adopt indirect hiring of labour through agents.

The questions that the study seeks to address are:

- What motivate workers and firms to seek the services of labour intermediary agents in their job finding and recruitment processes?
- What are the effects of the intermediary role of the labour agents on the employment relations of the casual workers? Do the intermediary agents help to safeguard the security of employment and better working conditions for the casual worker?

It has been hinted in the literature that public and private firms in Ghana are increasingly utilising flexible labour market practices e.g. subcontracting arrangements and contract labour which are making employment conditions more precarious (Ocran 1998). The modes of operation of, for instance, labour intermediaries, remain “hidden” both in the literature and in national discourse. The urge to undertake this study is therefore occasioned by this lack of an indepth understanding of the activities of intermediary labour agents in Ghana. This effort, small that it may be, would give an insight into or shape our thinking on this emerging form of employment practices to determine whether it represents a *new* ingenious way of creating jobs and also ensuring better working conditions or it has come to mean the downgrading of labour. If temporary employment through agents represents a new ingenious way of mobilizing and managing informal workers, wouldn't it then be plausible for their operations to be promoted for a wider impact?

I take the stand that intermediary labour agents constitute a cheap channel through which informal workers are mobilised and managed for the interests of firms. Their activities do not eliminate the fundamental issue of job insecurity. Agency employment arrangements may facilitate a process whereby the services of the informal worker may be engaged on a *permanent* basis, however, this arrangement may not necessarily cushion them against deteriorating employment conditions - it may obscure or whitewash the realities of worsening employment conditions but not solve them. The insertion of agents

into the recruitment process of the informal labour has come to mean worsening employment conditions for the informal workers who subsist at the lower echelons of the urban economy. As it has been aptly expressed elsewhere, temporary employment through agents has come to represent a “regime of precarious employment, based on the institutionalisation of short-term, individualised employment relationships, greater work-time instability and systemic underdevelopment” (Peck and Theodore 1998:656).

The study is organised into six chapters. The introductory chapter gives a brief background to the linkage of the formal economy vis-à-vis the informal realm within the context of economic crisis and what it means for the informal labour. The objectives, motivation for the study and the research questions are captured in this chapter. Chapter two embodies the theoretical review situated within neoliberal and alternative structuralist explanations to informalisation of work, followed by arguments on flexible labour strategies, and ends with a brief description of labour intermediary agents. Chapter three houses the research method applied on the field. The macro context of informality in Ghana is constructed in chapter four, using the existing literature. Also included in this chapter are the characterization of Tema and the description of labour intermediaries as they pertain to the study area. The fifth and the concluding chapters are devoted to the analysis of the empirical data and concluding summaries respectively.

Chapter Two

Theoretical Review

I attempt the theoretical discussion by looking at the historical trajectory and the various ramifications of informality as espoused in the literature in relation to the object of this study. Informality as a concept is complex, so are the interpretations. It dates back to the 1950s (Portes and Schauffler 1993). The explanations to the process of informalisation have metamorphosed from the early marginalist theories to dualistic explanations (popular in the 1970s) and more recently to what has been labeled in the literature as the informalisation approach. As these perspectives may provide some explanations to the causes of informalisation, their universal applicability is problematic. The precise causes of the process are contextual, rooted in the specific society in which the process is taking place. In developing countries and in the case of Africa, informality has a history, that is the process of informalisation is influenced by pre-colonial and colonial forces to produce specific forms, and these forms are being reinforced by contemporary processes. The analysis would be placed within the context of mainstream and Marxist structuralist explanations on the processes of informalisation and work flexibilisation, taking note of discourses on macro and micro processes. In any case, micro processes (seemingly ignored by disengagement and informalisation perspectives) are, in addition to macro discourses on vertical relations with state and capital, part of the dynamics of informality (Lourenco-Lindell 2002).

The mainstream perspective has tended to celebrate the expansion of the informal sector as offering the opportunity for growth in the face of modern economic crisis, and that liberalisation policies would release the energies of the informal sector to flourish and hence would be able to absorb the excess labour in the economy. The implied meaning here is that making labour informal or subjecting labour at the lower echelons of the economy to market principles would ensure employment creation. This position has been challenged on the basis that it fails to conceive informality as part of a wider economic response to crisis (Meagher 1995). This takes us to the realm of seeing the informal labour as an integral part of the formal economy and not an isolated case. In line with this, there has been the recommendation for further studies, particularly in Africa, to

unravel the extent to which the informal sector is integrated into the national economy. Concerns have been raised that in Third World countries, the linkage between informal and formal economy have led to informalisation of work, which firms are using as a means of enhancing profits. The formal and informal interface is argued to have negative consequences for informal labour because it cheapens labour and also has a deteriorating effect on working conditions (Xaba et al. 2002). The informal realm is not a resource that is accessible exclusively to the urban poor in helping them to respond to urban crisis, for actors in the formal sector are also observed to be relying increasingly on informalisation as accumulation strategy.

Marginalistic and Dualistic Theses on Informality

Some writers link the genesis of the informal sector, especially in Latin America and other developing countries, to rapid rural-urban migration which generated labour surplus in the cities relative to economic development after World War II. “Among the various schools of thought on the informal economy there is the agreement that a fundamental reason for its emergence was accelerated rural-urban migration and the labour surplus it generated in the cities”(Portes and Schauffler 1993:33).

The high labour force growth rate in the cities is believed to have been occasioned by economic development policies that had a strong urban bias. The import substitution industrialisation policy promoted during the postwar era combined with declining employment opportunities in the countryside of many developing countries instigated a wave of migration toward the few urban centres where industrial growth and employment were concentrated (Portes and Schauffler 1993).

Unfortunately, the rate of economic growth did not match the rapid growth of the urban labour force. The term marginality during this era was used to denote the exclusion of the migrant mass from the modern urban economy. This urban marginal mass was characterised as an “excess reserve army” that exceeded the labour reserve requirements of Third World economies and hence had no function for economic accumulation. The rise of the informal sector is attributed directly to excessive urban growth relative to the level of economic development in Third World countries, a process that is labeled as

‘hyper-urbanisation’”(Bairoch1973 in Portes and Shauffler 1993:38). Similarly, Breman (2004) has observed that:

“The continuing flow of labour from the rural hinterland to the cities, without a related emergence of industrial production regime that determined the nature of social transformation in Western countries, makes it easier to understand why there was no rapid and striking improvement in terms and conditions of employment and in the quality of the workers’ lives.”

The earlier theories on informality viewed the informal sector as traditional, offering bare survival on the margins of developing societies. This view has been criticised for failing to see the informal sector as having the potential for independent growth (Meagher 1995). The tone of these early theories failed to acknowledge the ability of the informal worker to adapt to the urban environment and survive in it (Portes et al. 1993). The marginalist view also rest on the assumption that with the advance of capitalist development in developing societies similar to what emerged in the West, the informal workers would acquire the skills and the experience required to secure better paid and more highly valued work in large companies and modern factories. This, it is argued, would lead to the eventual disappearance of informality or the expansion of formal employment. Far from disappearing, evidence over the decades indicates that the number of people working in the informal sector has increased rather than decreased. The assumption that an increasing pressure on the poor urban worker would be relieved by the rapid expansion of formal sector employment has proved to be ill-founded. On the contrary, while the exodus from the countryside continues unabated, their employment in the formal sector is being progressively eroded (Breman 2004).

The neoliberal viewpoint on informality, which emerged in the 1970s, sees the informal sector as representing indigenous entrepreneurial dynamism with a potential for employment creation. This perspective which is very much defended by de Soto, and unlike the marginalist perspective, saw the origins of informality not so much to excess labour supply. In his view the informal actor is neither unproductive nor marginal, but something of an economic hero who manages to survive and even prosper despite state oppression (in Portes and Schauffler 1993). Meagher sums up this perspective as follows:

“In contrast to earlier marginalist analyses, neo-liberal scholars discovered in the informal sector an indigenous entrepreneurial dynamism suggesting a potential for employment creation and growth. Rather than being treated as a product of incomplete state intervention, the informal sector was recast as a victim of excessive intervention, which monopolised resources in favour of a small and inefficient formal sector, forcing the bulk of the population to meet their own needs outside regulatory framework of the formal economy” (1995:262).

The state was regarded as an obstacle to the promotion and growth of the informal urban sector. The policy recommendation that followed was that the state must be removed from the economy to give freer reign to the hand of the market (Portes and Schauffler 1993). These views of market deregulation and the state’s roll back found audience in the policies promoted by the IMF and other international agencies (Porters and Schauffler 1993, Meagher 1995, Lourenco-Lindell 2002). The case for deregulation of labour or informalisation of work, from the neoliberal standpoint, is linked to the argument that employment based on high security is rigid and as such inimical to the creation of more jobs, hence the failure of the formal sector, which is synonymous to secure employment, to create more jobs. The assumption is “that security of employment...is counterproductive to the creation of more work, [thus a] strategy not tamed by...state controls means that employees can be hired and fired according to the needs of the moment. Such a regime is seen as providing the best guarantee of sustain and employment-friendly growth” (Breman 2004:236-237). Simply put, making labour more flexible, insecure or organising labour in an informal way (not regulated by the state), is a precondition for employment creation.

Governments faced with domestic and international economic imperatives, and in line with neoliberal policies, are pressurised to remove labour regulations and cut public sector employment, all of which have eroded employment security and as a result firms are freer than before to adopt forms of organisation that draws on unregulated, cheap, nonunionised workers (Lawson 1992). Even in cases where labour regulations exist, the exclusion of the informal sector from labour regulation creates exploitable reserves of

informal labour (Meagher 1995). As Meagher puts it: “The failure of many African states to provide institutional support for the informal sector...is part of the logic of informalisation in the context of crisis - a logic based on cheap labour strategies for employers and survival strategies for workers” (1995:279). Kowtowing to deregulation policies by the state is argued to amount to state’s complicity in the whole process of informalisation (see page 12 for the role of the state in the informalisation process).

The Alternative Structuralist Perspective

The neo-liberal perspective is credited with the ability to recognise, in the modern context of crisis, the potentiality of the informal sector to play a central rather than a subordinate economic role. However, the Marxist structuralist theorists, also regarded as the informalisation approach, criticise the neo-liberal position on its dualistic tendency to present the informal sector as economically independent of the formal sector. The Marxist structuralist perspective neither sees the informal sector as isolated from the formal economy, nor considers the informal economy as a set of survival activities performed by destitute people on the margins of society (Portes et al. 1989). In place of the notions of economic dualism and marginality painted by the other perspectives, this alternative perspective describes unified systems encompassing a dense network of relationships between formal and informal enterprises. To this third perspective, the explanations to the process of informalisation lie in informal sector linkages (but not limited to it) with the activities of the formal sector within the context of modern crisis. The informalisation approach draws attention to the lack of analyses of the precise operation and impact of linkages with the formal sector, and class relations within the informal sector (Portes and Schauffler 1993, Meagher 1995). In connection with impact of linkages with the formal sector, Portes and Schauffler (1995) point out that the condition of excess labour supply created by rural-urban migration has had more complex consequences than the survival of the poor at the margins of the urban economy. These consequences are knitted with the functions that the informal enterprises play in support of modern capitalist accumulation. As it has been observed by Lourenco-Lindell (2002), merchant capital in Guinea-Bissau has been utilising informal relations, including poorly regulated labour and outlets as a means to deal with the challenges of economic

liberalisation and increasing competition, and in the process a number of urban dwellers, including casual workers, have been drawn into informal arrangements linked to global commodity circuits. She likens these informal modes of operations to strategies of flexible accumulation and informalisation being used by international capital in the industrialised countries.

According to Portes and Schauffler (1993), the existence of the informal economy represents a vast subsidy to formal capitalist enterprises, insofar as it makes labour cost lower than they would be if such sources of supply did not exist. Informal enterprises under gird the profitability of their formal counterparts by allowing the latter to maintain wage levels below the costs of basic needs if these had to be purchased through regulated channels. This notion, which is considered as old Marxist idea, however, is called into question, since informal actors are noted to be involved in a variety of capital/labour relationships, as employers, owner-operators and various forms of waged and unwaged labour other than disguised petty commodity producers who are exploited by capital or small-scale producers who subsidise capital accumulation (Meagher 1995).

The informalisation approach recognises the informal ways of organisation as part of capital's search for flexibility in the use of labour with the aim of avoiding the costs of social security obligations and other substantial overhead costs of formal sector operation (Meagher 1995). Drawing from empirical evidence from Latin America, Portes and Schauffler (1993) indicate that there is a practice whereby large firms reach down indirectly into the labour pool to allocate a variety of tasks e.g. the (in)direct hiring of workers off-the-books, and subcontracting of production, input supplies, or final sales to informal entrepreneurs. The incentive for these linkages, they noted, is geared towards evading legal regulations that increase labour cost and decrease firm flexibility. The cost of the workforce of formal enterprises can be reduced by off-the-books hiring and subcontracting, which means profits can be significantly improved with varying consequences for the worker. The scenarios below illustrate this position:

“Formal construction firms [in Mexico City] employ informal subcontractors who hire workers on demand in the shantytowns and nearby villages. Subcontractors commonly earn more than engineers or architects in charge of

the projects, but workers are paid close to minimum with few or no legal regulation and protection. Once a project is finished, workers are dismissed.” (Lomnitz 1976: 50 in Portes and Schauffler 1993).

“...a new and disturbing feature has emerged [in South Africa]...and that is the new form of informalisation by firms whereby workers lose their status of being employees overnight as they are given a so-called choice of becoming independent or voluntary contractors to the owner of the firm or be retrenched. This is done largely to evade the provisions of the new labour legislation which has been enacted in the post-1994 democratic dispensation.” (Fakunde 2000:14)

This formal and informal interface has unpleasant repercussions on the conditions of employment. As it has been stressed by Meagher:

“The counterside of informality, little discussed by those who laud its flexibility and entrepreneurial spirit, are the long working hours, the poor returns, the prevalence of unsafe machinery and unsanitary premises, the alarming increase in the marketing of adulterated and expired goods, and the sale of contaminated foodstuffs - in short, the virtual absence of labour or consumer protection which generally function to limit profits in the interest of labour and society” (1995:277).

In this way, “informal work is seen as integral part of global corporate economy and providing a crucial infrastructure for the major growth sectors of the ‘new urban economy’...[which consequently represents]...a disenfranchisement of the working class, a downgrading of labour and a worsening conditions of work” (Lourenco-Lindell 2002:16).

The structuralist approach also holds that rigid legal codes protecting formal workers provides powerful incentive for firms to avoid expanding their labour plants and to make use, whenever possible, of casual labour and subcontracting (Portes and Schauffler 1993).

The structuralists, however, do not advocate for complete removal of state controls from the labour market (Portes and Shauffler 1993). Greater flexibility, they argue, requires fewer constraints on firms to adjust the size and composition of their labour force in response to economic conditions, whilst at the same time allowing for other protective regulations on wages, work conditions, health and accident insurance, and unemployment compensation to remain. Their elimination would lead to a pattern of worker abuse, minimal wages, and disincentive for worker training and technological innovation. The result would not formalise the informal workers, but the informalisation of the entire economy, as work conditions in larger firms begin to approach those of today's informal enterprises. To the structuralist, the removal of state controls would not help the consolidation and growth of micro and informal enterprises. The structuralists cannot assure us that instituting stringent state controls could prevent the process of informalisation. For instance, the introduction of stringent new labour laws since 1994 in South Africa is noted to have induced a new form of informalisation instead of discouraging it in the face of intense competition and crisis (Fakunde 2000).

By extension, one might say that capital always seeks avenues to thrive. When state intervention in the labour market is relaxed, it gives firms the incentive to informalise work which may be detrimental to the cause of the worker. On the other hand, rigid labour regulation, as South Africa's case exemplifies, may also induce informalisation. Similarly, Portes et al. (1989) concluded from analyses gleaned from empirical urban informal studies that the expansion of the unregulated economy is the result of a reaction against regulation of the economy, both in terms of taxes and social regulations. They argued that the rise of the welfare state in the post-World War II may have promoted informalisation by directly stimulating companies' efforts to escape their reach, and indirectly by weakening the resistance of the working class to a new form of work organisation. Rigid regulation of the economy does not necessarily work magic for the working class since they may induce responses from capital which may be detrimental to the cause of labour. This therefore calls for a balance between ensuring some form of flexibility for firms to adjust in response to economic conditions, whilst ensuring at the same time that such windows for flexibility do not compromise unduly on the conditions of work. As Portes and Shauffler cautiously emphasized:

“Complete absorption of the labour force into the formal sector [or formalizing work] is desirable, but it will not occur without relaxation of rigid labour rules. Transformation of subsistence activities into dynamic autonomous small firms is equally desirable, but it will not occur through simple removal of state controls without sustained programmes in support of this aim” (1993:56).

Another interesting dimension with regards to (de)regulation vis-à-vis informalisation is the issue of *informalisation within* firms, which reduces the incentive by firms to externalise the process of informalisation. For instance:

“In Brazil and Argentina, for example, a process of informalisation within factories, including widespread regression of labour unions, dismantling of employee benefit legislations, and reduced state regulation of labour practices, has reduced the need to subcontract” (Lawson 1992:15).

The State and Informality

Whilst the neoliberal perspective sees state’s intervention as an obstacle to the growth of the informal sector, the position of informalisation theorists is on the contrary. Through its policies of public sector downsizing and cut-backs in social services, which form part of economic restructuring within the context of crisis, the state is considered an accomplice in the expansion of the informal sector. Informalisation is not a social process always developing outside the purview of the state; it is instead the expression of a new form of control characterized by the disenfranchisement of a large sector of the working class, often with the acquiescence of the state (Portes et al. 1989). The spread of structural adjustment is pointed out as indication of the fact that the state has allied itself with the interest of local and international political and economic actors who find in informalisation a flexible solution to their own crisis (Meagher 1995: 280). “Informality is an expression of the states inability to control capital and those who own it” (Breman 2004: 233).

Some have describe the informal sector as a political creation – the argument being that the conditions necessary for the operation of the informal sector on a major scale demands the complicity of the state. The attitude of the state is also regarded as part of the problem of informality. Inconsistent or ambiguous policy, lack of policy co-ordination, and policies that are difficult to implement, are argued to represent a state's tacit support to the informalisation process. These attitudes necessitate the expansion of exploitative structures of informality, since they fail to provide active protection and support for informal actors (including minority groups), and provide gaps in the legal structure permitting stronger economic actors to exploit informal labour (Meagher 1995).

Marxist structuralist approaches do not seek a single explanatory factor to the development of informality through economic factors only. Industry and economic related features as well as specific socio-economic features of a society combine to provide the necessary conditions for the growth of the informal sector. These features may have evolved as part of a society's specific political and economic history, which accounts for the greater susceptibility of such societies to informalisation (Meagher 1995). Discussing it under the banner of *downgraded labour*, Portes et al. (1989) argues that the incorporation of informal labour into the capitalist production and their consequent worsening conditions of work is reinforced by their specific socio-economic characteristics. Such features are not limited to immigrant workers but extend to marginalised groups including, women, children, and vulnerable ethnic and minority groups. It is important to note that such features are grounded in history and place. Lourenco-Lindell (2002), for instance, has indicated that in the African context, informality has a long history and assumes specific forms deriving from the interplay between international capital and indigenous factors. She stressed further that the history of informality in African cities includes both various phases of capitalist penetration and evolved indigenous cultures and pre-capitalist forms of social and economic organisation. The unique forms that informality takes in a particular place are the outcome of particular intersections between external forces and historically informed responses.

Another dimension to the informalisation approach is the role of informal social networks in the deployment and control of labour in the informal economy. The issue that

has been raised borders on how workers are recruited and mobilised to co-operate or collude in unstable and often highly exploitative transactions in the absence of formal institutional mechanisms. Because informal activities operate outside the protective sanctions established by government and trade unions, the underground economy is particularly dependent on informal mechanism of control. These mechanisms consist in a set of social connections, personal and kinships allegiances, which ensure the flow of labour market information and which connect the employer to a supply of 'trustworthy' labour (Weiss 1987 in Meagher 1995). The factors of cohesion and shared norms of subordination provided particularly by social networks are vital for labour control in the context in which formal regulations do not apply and the exploitation of labour is intense. Meagher (1995) argued that social networks secure control over informal labour, not only by submitting it to market forces, but precisely insulating participants from the full impact of the market. This element of solidarity involved in protecting labour from the market and facilitating advancement exist within a context of severe exploitation. It is central to the logic of informal social networks that the co-operation ensured by the promise of future advancement is to the advantage of the employer, who is able to ensure his own accumulation on that basis. She concludes that in Africa's informal economies, protection from the market through informal social networks provides some conditions for informal sector accumulation, but at the expense of high levels of informal labour exploitation and political vulnerability. Informal social networks, in other words are functional to capital accumulation (Lourenco-Lindell 2002).

The discourses on the informalisation approach revolve around four main themes as identified in the literature and as could be discerned from the above perspectives on informality. They are; the linkages with the formal economy; the special characteristics of labour employed in informal activities; the state's attitude toward the unregulated sector (Portes et al. 1989) and the issue of differentiation and the role of informal social networks in providing a framework for the recruitment and use of informal sector labour (Meagher 1995).

In addition to the above perspectives on informalisation, which are increasingly assuming ideological dimensions, Portes et al. (1989), have highlighted certain general

imperatives, though not very much different from the above discourses, as driving forces behind the expansion of the informal sector, especially in advanced countries. According to them, the expansion of the informal economy is due to the process of industrialisation going on in the Third World countries under social and economic conditions that forbid much enforcement of standards previously set by state. The newly industrialised countries, for example, are argued to informalise themselves vis-à-vis their competitors, as well as their own formal laws, so as to obtain a comparative advantage for their production relative to the more regulated areas of the world economy.

The economic crisis since the mid-1970s throughout the world is regarded as one of the reasons for the growth of the informal sector. This crisis is believed to have subjected many to harsh living conditions that have made them accept whatever ways out of their misery they could find. This idea is considered both limited and general in attributing the expansion of the informal economy to the process of economic restructuring, which is aimed at overcoming the structural crisis of the 1970s. It is limited because the processes at work were in place before the crisis and general because it fails to clarify how this restructuring is taking place or identify the specific targets of the process (Portes et al. 1989).

Informalisation of work is observed to occur not during periods of economic downturn only, but also during periods of economic boom. Fortuna and Prates (in Portes et al. 1989) concluded from a study conducted in Uruguay that the boom period of export manufactures which entailed the use of advanced technology, and the growth in scale of production, fostered a process of informalisation disguised as small independent entrepreneurs. This process also led to de-skilling of the formal manufacturing labour force.

The informalisation process, whether in the form of subcontracting to home workers or resorting to indirect hiring through an intermediary is linked to the logic of shifting the burden of economic risk and uncertainty that derives from fluctuations in demand (Lawson 1992). For instance, the unprotected casual worker could easily be disposed of or hired in accordance with market and production fluctuations.

The consequences of informalisation, some of which have been discussed either directly or indirectly above, have both social and economic dimensions. Economically, the process of informalisation is considered to lead to the reduction of the cost of labour and hence contributes to the profitability of capital. The cost-saving feature inherent in the informal realm is connected more to the avoidance of indirect wage - in the form of social benefits and other employee related payments.

The social effect of informalisation is seen in the undermining of the power of organised labour in all dimensions - be it economic bargaining, social organization, or political influence. Undeclared, unprotected labour, small units of production networks, multiple intermediaries between firms and employers, homework rather than factory work are all factors contributing to the de-collectivisation of the labour process (Portes et al. 1989). In the same light, Peck (1996) has observed that firms' resort to flexibility strategies is based on an attempt to individualise the employment relation, moving away from (institutionalised and therefore comparatively rigid) collective bargaining and negotiation systems in key areas such as wage-setting. Flexibility strategies do not always work in favour of firms in their resolve to increase their control over the labour process. It may simultaneously undermine other areas such as direct supervision or firm-specific skill formation (Peck 1996).

Informalisation Perspective under Attack.

The informalisation approach is criticised for its excessive emphasis on the subcontracting of productive activity to informal enterprises and homeworkers as the primary feature of informal sector expansion in the current crisis conjuncture as well as for its dominant focus on informal arrangements in manufacturing, and its consequent lack of attention to more numerically significant types of informal activity, such as services (Meagher 1995).

To other commentators, the informal sphere becomes easily associated with victimisation and the downgrading of labour and the range of explanations for its dynamics tend to be narrowed to the imperative of capital (and state). Attention is drawn to the need to consider the range of small-scale activities that are not linked dynamically to the capitalist sector.

There is also a lack of consideration of the (differentiated nature of) *social processes* taking place *within* the informal realm, as the informalisation perspective tends to focus greatly on the vertical contraction between small informal actors and capital or the state (Lourenco-Lindell 2002). Even though Portes and Shauffler (1993) emphasised the internal heterogeneity of the informal sector, their analysis fell short of the *internal* or micro-processes that take place within the informal realm. The over-emphasis on attributing the heterogeneity of the informal economy to the articulation of the regulated and unregulated activities, according to Lourenco-Lindell (2002), amounts to locating power and exploitation exclusively in capital or the state which turns to obscure other sources of domination and a variety of contractions that are *internal* to the informal sphere.

Lourenco-Lindell's (2002) position is that interpretations of informality should discard their apolitical and non-dynamic character and try to uncover instances of immorality, inequality and contradictions, and give consideration to perspectives that do not regard informal norms as given or passively followed - for actors in the informal economy may engage in unruly social practices. In her study to assess the extent to which informal urbanites in Bissau are faring in the face of economic deregulation, she came to the conclusion that micro-processes and multiplicity of agents at the horizontal level combine with vertical relations with the state and capital to explain the dynamics of informality. While acknowledging the worthiness of her critique on the informalisation approach, a closer look at her study indicates that her analysis does not add much to the core thinking of the informalisation approach. The novelty of her work is derived from the fact that she applied the informalisation approach (the same fundamental attributes) at a more micro level of study by way of dissecting to reveal the contradictions embedded in informal support systems which the poor is assume to possess to deal with deteriorating living conditions. In other words, Lourenco-Lindell sought to apply the same old attributes of the informalisation approach at a more micro scale of study.

Within the context of the articulation of the regulated and the unregulated regimes, the job is not completely done. The disputations against greater informalisation of labour vis-à-vis state and capital, fail to capture micro-processes and contradictions internal to the informal labour economy. If the informal labour regime has come to stay, we need to

know its nature, particularly in Africa, and the specific processes that go on within this regime. Do informal flexible labour strategies (e.g. recruiting externally through intermediaries) necessarily lead to (hyper)-exploitation of informal labour by capital, as it has been portrayed in the literature? Are temporary work agencies, for example, not helping informal workers to obtain permanent and secure jobs instead of one-side association of labour downgrading to informalisation of work? Are informal workers equally positioned in the informal flexible labour economy? The last question raises the issue of differentiating the informal workers who are recruited by agents to understand the different micro-processes that influence their different employment outcomes. Horizontal employment relations combine with vertical relations with state and capital to explain the process of informal flexible labour economy.

The External Flexibility Debate

The views on external flexibility concept¹ in the literature have been contradictory. One school of thought posits that externalising the labour recruitment process or hiring labour through intermediaries is a precondition for employment creation as long as it allows the firm some flexibility to adjust to uncertainties in the production process (Korpi and Levin 2001). The counter view to this benign perspective is that adopting external hiring of labour is linked to firms' need to increase their ability to hire and fire to reduce wage cost in accordance with fluctuations and uncertainties in the economy which brings in its wake daring consequences on employment relationships (Peck 1992, Lourenco-Lindell 2002). At the heart of the flexibility debate is the issue of *employment relations*. Defined as the nature of contract, benefits enjoyed, job security, nature and range of skills acquired, and authority and control at the work place, employment relations connect to labour conditions both at work and home. Lawson (1992) argues that any analysis of the effect of flexibility strategies on labour conditions must be contextualised within employment relations. This presupposes that any employment arrangement that fosters good employment relations leads to the upgrading of labour and vice-versa. At the centre

¹ Labour is sought through strategies such as the deployment of part time work and temporary workers that enable rapid quantitative adjustments to the labour intake to be made in accordance with fluctuating production needs (Peck 1992:327)

of this study is the extent to which the activities of intermediary Labour Hire agents impact on employment relations and hence labour conditions.

A form of external flexibility strategies that have emerged in the West is what has been termed as the Temp-Industry in which firms are observed to be relying increasingly on them for temporary workers. Emerging evidence suggests that employers are increasingly using temp workers on a *permanent* or *repeated* basis, whilst in certain instances temp work is used by employers to screen workers for permanent employment (Peck and Theodore 1998, Forde 2001, Korpi and Levin 2001). In instances where temporary employment fails to generate an offer of permanent employment it may still provide a relatively *continuous* employment. Temporary employment in this respect is considered as a positive and necessary response to changes in the production process requiring increased flexibility on the part of firms. This positive perspective represents an oversimplification of the reality. Peck and Theodore (1998) have cautioned that in instances where there has been progression from *temp-to-perm*, the employment relationships still remain contingent. Their arguments are that:

“First, the objective of subordinating labour utilization to short-run fluctuations in demand means that employment is at least potentially unstable and there is minimal tolerance of suboptimal job performance. Second, the fact that the wages and benefits packages of temp workers are invariably less generous than those of regular employees means that there is an increased likelihood that changes in temp’s personal circumstances (e.g. falling ill, picking up a work-related injury, or acquiring new care-giving responsibilities) will precipitate involuntary exit from employment” (Peck and Theodore 1998:670).

What the benign argument fails to recognize is the differentiated nature of the temp work. Temporary employment through an intermediary, whether at the lower or upper echelons, is constructed differently. They are “*differently contingent*: agency-client relations are conducted differently, allocation and reward systems are institutionalised differently, and labour control regimes are configured differently” (Peck and Theodore: 671). Whilst different temp industries may exhibit different logics, it is also true that temporary

employment may show varying employment relations in place and probably in time. The explanations to temp employment must therefore be sought in terms of place, time and type. Informal workers who are drawn into employment arrangements with intermediaries at the lower echelons of the urban labour market are not homogeneous.

It is in no way suggested that the trends of temporary employment occurring in the West are similar to those occurring in developing countries, and in particular Africa. Whilst certain trends taking place in the West may be similar to the Third World context, casual employment arrangements in developing world have history and certain specific characters. In a study in India, Streefkerk (2002:146) observed that casualisation of workforce is “a long-term tendency rather than a recent development”, which adds credence to the point that work informalisation is not a recent phenomenon. A trend that has been occurring in the developing world is the *formalisation* of casual work through officially recognised labour contractors or agents (Endresen 2000, Streefkerk 2002). These labour contractors mediate between employers and the casual workers. To employers, this arrangement enables them to be flexible and to reduce the size of their workforce in times of economic downturn without provoking union activism, and also been able to shift the burden of controlling workers to the contractors. The agents derive their livelihoods from deductions from payments they make to the casual workers (Streefkerk, 2002). To the casual worker, the formalisation of temporary employment through agents is a paradox. Instead of their employment conditions nearing that of the formal employment, the reality is that the insertion of agents into the recruitment process exacerbates their living and employment conditions (Endresen 2000). The recruitment of workers through contractors leads to “further objectification of labour relations or greater social alienation” between workers and employers (Streefkerk 2002:147). In other words, rather than *formalising* the flexible labour regime through agent, it tends to *informalise* the labour relations of the informal worker. To put it differently, institutionalising the external flexible labour strategy tends to informalise labour further. A contention which I have been dealing with is why one should refer to employment through an officially recognised labour agent or contractor as informal, if informality is taken to mean an activity outside the reach of officialdom.

In line with Breman (2004), I regard informal work based on the nature of the employment relationship. The labour intermediary agents and the employers may comply with official rules and regulations but the nature of employment agreement with their employees is informal. The workers are not employed on permanent or on regular basis and as such do not appear in the accounts books of the firms they work with. They work on the basis of mostly oral contracts - even in cases of written contracts; the terms still do not make them formal - agreed for an unspecified period of time with a sub (contractor), who reserves the right to terminate the agreement at any time. The only obligation with respect to the workers is to pay them a piece rate. This comes with little or no entitlements to social security or other similar provisions.

Labour Intermediary Agents -What are they?

The nature of intermediary labour agents as espoused in the literature is varied. In India, individual jobbers or brokers have been identified to mediate between employers and labour. They are considered bosses of the work gangs they recruit (Streefkerk 2002). Lourenco-Lindell (2002) has also identified headmen (bosses of organised day workers) in Guinea-Bissau, who cultivate contacts with employers and negotiate on behalf of their groups. In contrast, there are also firm-like labour hire agents/companies who operate in a more formalised environment (Peck and Theodore 1998, Endresen 2000, Ford 2001). Labour intermediary companies are labour brokers who hire mostly semi-skilled and unskilled workers to firms for a specified period. They offer contracts to their staff which last as long as the contract between the labour hire company and its client exists (Endresen 2000). Emerging evidence in the literature suggests that labour intermediary companies do not *merely* supply casual workers to their clients but they are being used to perform "...labour process practices of induction and training, supervision, task allocation [and] performance monitoring [on-the site]...(Peck and Theodore 1998:665). Generally, the consensus in the literature is that employment through an intermediary, whether individual contractors or firm-like agencies, add to the precariousness of, or informalises, employment relations and hence worsens the conditions of contract or casual workers.

Chapter Three

Research Method

The fieldwork was conducted in Tema, an industrial and port city, between June and July 2004. The goal was to collect data to help answer the questions relating to the activities of labour hire agents and how their intermediary roles influence the employment relations of the informal/casual worker. The actors who constituted the target of the study were the labour intermediary agents, the casual workers and the clients that patronise labour from the agents. The research strategy is pursued using qualitative approach. The interview questionnaire consisted mainly of open-ended questions (Appendix, 1).

The labour hire companies were first to be contacted. Prior to the field visit, preliminary investigation was undertaken to obtain an idea of the number of labour hire companies operating in Tema. The labour intermediary agents were either a one-man labour contractor or a more formalised labour agency. They were Ghana Dock Labour Company (GDLC), L'aine Services Ltd, Domestic and House Helps Agency and National Fish Stevedores Association (NFSA) - an amalgam of individual contractors operating at the fishing harbour with each contractor having a gang or a group of casual workers working under him. A relative and his friend in Tema were very instrumental in helping to identify the labour intermediaries.

In the company of these people, I visited these labour intermediaries to fraternise and familiarise myself with them and to create the necessary rapport on the first day of the fieldwork. My gatekeeper, who is a famous dockworker at the port, led me to the premises of GDLC at Tema Main Harbour and NFSA at the fishing harbour, where I established contacts with certain personnel of these two labour intermediaries. They in turn made it possible for me to interview other informants. Ghana Dock Labour Company (GDLC) and L'aine Services Ltd are institutionalised labour intermediaries directed by board of directors and House Helps Agency; sole proprietorship agency. There are probably individual itinerant labour contractors operating in Tema but they are difficult to be located. For instance, an interviewee casual worker working with a multinational

company indicated that it could be hard to locate, let alone to talk to, his agent, “not even in his house, he does not keep one mobile phone and very sneaky”.

The gatekeeper to some extent helped to create the right environment by way of reducing any mistrust and suspicions that would have characterised the interviews. There was a big contrast between the responses provided by those agency officials who were interviewed on the spot and those I interviewed later on a set date. Whilst the former responded enthusiastically to most of the questions before coming to the realisation of their underlying intents, the latter were very caution and evasive in responding to some of the questions.

In all, I interviewed six individuals working with these labour intermediary agencies using mainly open ended questions. They included two officers from Ghana Dock Labour Company Ltd, two officers from L’aine Services Ltd, the proprietor of Domestic and House Helps and the secretary of NFSA. The questions they were asked bordered on the type of labour they mostly supply to their clients, who their clients were, the number of active workers they have in their book, issues bordering on contractual agreements, how the grievances of the workers are dealt with, control at the workplace and whose responsibility it is to ensure that work is done under good conditions and the mode of recruiting the workers. Repeated and sometimes reframed questions were asked at irregular intervals to check the consistency of the responses provided by these officers as well as the casual workers.

A request was made to the officers contacted earlier to grant the permission to interview some of their casual workers. The officers of the Ghana Dock Labour Company (GDL), admittedly, were very cooperative in this direction. The initial plan was to select 30-40 casual workers for interview; however, this could not be achieved. The reason for the shortfall was a practical one. In my eagerness to obtain more data, especially from some of the enthusiastic respondents, I got carried away or got so much involved in the process that it stretched some of the interviews beyond 45 minutes. Also controlling open-ended approach to interviews is difficult. It is sometimes problematic to decide when to end the interviews, whether in the middle of the interview when the respondent is providing more useful information, or allow the informant continue as against his work schedule.

Altogether, I interviewed 24 casual workers from the 4 labour hire agents contacted, the majority of whom were selected from GDLC. Such a bias was as a result of the peculiar nature of GDLC to the object of the study. This bias is reflected in the empirical analysis.

It needs mentioning that the selection of the casual workers at GDLC was tailored to suit the peculiar nature of its labour arrangements. The casual workers are organised into a number of labour *gangs* and each gang is headed by a *headman* (who is also a casual worker). This came to be known as a result of my earlier visit to the agency. With this in mind, I consciously selected two casual workers from four of the labour gangs with two having been headed by experienced headmen, who have worked in the labour gang system for a long time even before the inception of GDLC. Four headmen, representing the four labour gangs were also selected for interviews. This on-the-spot approach was adopted with the aim of understanding the operations and the internal dynamics of the *gang* system before and after the inception of the GDLC. I have come to learn that in research, such as this, the best method is determined in the field implying that flexibility and not rigidity is the key. This is especially so since what may be conceptualised at the initial stages of the research design may be at variance with the reality. Also included in the interview were the executive members of the local union (GDLC non-permanent workers of Maritime and Dock work Union), two of whom were casual workers. At NFSA, the casual workers were selected from two gangs operating under two different contractors. This study is limited by the small number of respondents interviewed, though rich in data. Also the interviews could not be extended to other gangs groups operating in other places and warehouses in Tema, which are neither under GDLC nor NFSA.

The questions designed for the casual workers were meant to elicit data on their characteristics, work history, their obligations to the labour hire agents, the frequency at which they were booked for work, issues on wages, benefits, contracts, working conditions, how their discontents are resolved and whether they view their current employment arrangements with the labour hire agents as helpful. As it was expected, the responses and cooperation from the casual workers, unlike some of the officers of the labour hire agents, were encouraging. Unfortunately, I could not undertake the interviews at the worksites as intended. What I did instead, in the case of GDLC, was to undertake

the interviews under a big shed at the company's premises where the workers gather every morning for work allocation and their subsequent dispatch to the worksite. It was here that I got the opportunity to interact with a lot of the workers. With regards to the other casual workers, I used my personal contacts to get them to meet elsewhere for the interviews. Also I interviewed some dismissed casual workers, who through one of the agents afore-mentioned, worked as factory hands for a multinational company. Some of the interviews were recorded on audio tapes with the consent of the respondents, whilst those who disallowed audio recording had their responses noted down in field note books.

With respect to the client companies that patronise casual workers from the labour intermediary agents, only two managers granted one-on-one interview with me. Others took me through a marathon of bureaucratic procedures which meant their unwillingness to grant my request to interview them. I also engaged in some sort of informal conversations with some officials of the Trade Union Congress who have some knowledge on casual employment in Ghana. On the whole the responses from, especially the casual workers, and some officials of the labour intermediary agents, were encouraging. The cooperation from the client companies that utilises casual workers, except two, was least encouraging. This must inform the conclusions reached on the issue of firms' motivations for hiring workers indirectly through an intermediary. However, certain responses provided by the casual workers and the labour hire agent to questions relating to the benefits the clients derive from their activities, pay roll administration and wages would partially help to address the firms' drive for the services of labour intermediaries.

I sourced secondary data in the form of academic publications, articles, labour acts, and dissertations from the bookshops, the University of Ghana libraries and public agencies.

Chapter Four

The Context of Informality in Ghana

An attempt is made in this chapter to account for the broader processes that connect to informalisation in Ghana, using mainly the existing literature. I share the wisdom that macro processes always cast their shadows on micro processes and that to understand micro issues is to understand macro issues. Informalisation of work in Ghana, I believe, is shaped by macro processes both at the national and the international levels. The macro processes may not provide a direct causal explanation to what is taking place at the study area. However, dwelling on national and international processes that explain informalisation in Ghana is important, in that it may give us an understanding of the broader context within which flexible labour processes in the study area is taking place. This chapter also captures the characterisation of Tema as well as the description of labour intermediary agents as they pertain to the study area.

The 1970s witnessed a series of studies into the informal sector in Ghana. Studies by Hart (1973), Aryee (1977) and lately Thomi and Yankson (1985), Yankson (1989, 1998), Ninsin (1991), Baah-Nuako (1994, 2003) can be mentioned here. Most of these studies have been labeled as static and ahistorical, and much concerned with the description of the external characteristics of the informal sector, which turns out to give a shallow understanding of the dynamics of the sector (Ninsin 1989). An attempt by Ninsin (1991) to provide a dynamic explanation to informality in Ghana is also fraught with some weaknesses. Whilst his analysis assumed astatic and historical postures, he tended to over-attribute the processes of informality to national and international factors. In other words, he placed too much emphasis on the vertical relationships between the informal sector, the actions and inactions of the nation state, and international capital with little attention to the processes internal to the sector. The informal sector in Ghana is not amoral arena. The processes of informality must be sought both in vertical and horizontal relationships (Lourenco-Lindel 2002).

The intellectual interest in the informal sector became pronounced in the '70s (coinciding with the onset of the crisis) more so after Hart's study in Nima, a suburb of Accra. However, the processes that explain the creation of the informal sector were far in

place before the economic crisis in the '70s and the '80s. "The informal sector predated the crisis, even though it is transformed by it in a variety of ways... [it is a] phenomenon [that] is best conceptualised as been structurally linked both in origin and operations to the urban capitalist sector" (Hutchful 2002:21). The informal sector in Ghana is not a new phenomenon. Its origins are rooted in history. The analysis of the historical roots of the informal sector dwells heavily on Ninsin's (1991) political economy analysis of the informal sector in Ghana. I attempt the construction of the context of informality in Ghana spanning three historical eras: Pre-1970s, the 1970s, and the contemporary era, covering both Economic Recovery Programme (ERP) and Structural Adjustment Programme (SAP) eras.

Informality during Pre-1970 Era

I regard Pre-1970 period as the era comprising the colonial regime, the Convention People's Party (CPP) government and the National Liberation Council regime. The origin of informal sector in Ghana is traced back to the colonial era. The educational system and the structural weaknesses of the Ghanaian economy during the colonial and the post-independent periods are regarded to have stimulated informalisation in Ghana. Ninsin (1991) has forcefully showed the interplay between the characteristics of the labour force (which were determined by the nature of colonial and post-colonial educational policies) and the economic system in shaping the informal sector. He argues that during the colonial period the education system was geared towards the production of white collar jobs as against limited occupational diversity. The colonial state was less concerned with technical and science education. The exception was the courageous step by Governor Guggisberg to encourage technical and vocational education. Though his educational policy achieved some success by way of the number of skilled artisans and craftsmen that were trained, however, as Ninsin puts it:

"...it is remarkable that the economy's own structural weakness [made] it impossible to absorb even the modest output of those technical and vocational schools...The difficulty in obtaining employment after graduation obliged a number of the graduates of the technical and vocational institutions to take up jobs which were totally unrelated to their training...the cause of unemployment

among the skilled labour force lay in the fact that the colonial economy could not cope with the minimum changes in the composition of the labour force” (1991:45-46).

The educational system of the immediate post-colonial era was not a great departure from those that were perpetuated by the colonial government in terms of content and philosophy – it was also meant to produce white collar workers to service the tertiary sector. The socialist government of Convention People’s Party (CPP), embarked on a massive educational reforms to increase access to education to as many Ghanaians as possible under its Accelerated Development Plan for Education. The expansion of educational infrastructure at various levels of the education system coupled with souring enrollment figures was remarkable. The CPP government did not only focus on the development of primary education but also extended the reforms to the higher levels of the educational systems. By 1957, when Ghana achieved full independence from the British government, the number of primary schools, middle schools, technical and trade schools and teacher training schools increased by 17%, 37%, 48% and 27% respectively from the 1952 figures. In addition, University of Cape Coast was started by the CPP government to train graduate teachers. The infrastructural expansion during the same period (1952-1957) was accompanied with increases in the number of student enrollments with technical and trade schools registering 71%, middle school 36%, primary school 93% and Teacher training schools 39%. The universities registered the least student enrollment of 9% during the same period².

The outcome of CPP education policy was consistent with the objective of the programme; the emphasis on primary school education and in addition technical and trade schools to train technicians and vocational workers, with the latter similar to Guggisberg’s education policy during the colonial era as discussed above. One difference between the CPP government and the colonial regime was that of numbers. The expansion of educational infrastructure and increases in student enrollment during the regime of CPP were momentous as compared to the colonial regime. Nevertheless, the education policies of both the CPP government and the colonial regime were “merely a

² See Ninsin, K (1991:46) for the raw figures.

revolution in numbers rather than in the content and philosophy of education” (Ninsin, 1991:47). Some of the concomitant fallouts of these educational policies were the high drop-out rates among primary and secondary students and the difficulty of finding employment for those who were able to complete their schooling. The obvious avenue for the dropouts and the graduates from the first and the second cycle institutions to seek refuge was the urban informal sector;

“Such people’s level of education, however minimum or rudimentary... dislodged and alienated them from their immediate environment; and they would feel more inclined to trek to the urban centres...Also it is mostly members of this group who [were] more likely to become informal sector operators when they are unable to secure a permanent employment...it has been found that rural-urban migration is a critical factor determining growth in the urban population; that such migrants are mostly those with formal education-at least, elementary school education...Furthermore, one study has found that it is people such as these - that is those with least education-that are more inclined to settle in the urban...informal sector” (Ninsin 1991).

In the same vein, Hart (1973) observed that the high rate of unemployment in the sixties among the urban youth in Accra was in part a reflection of the influence of western education. The inadequacy of their qualification made it difficult for most of the school leavers to locate scarce white-collar jobs. The available option left to them was to compete with manual workers in the informal sector.

Paradoxically, the urban economy was not robust enough to offer the needed employment to the growing urban labour force. However, there were attempts by the CPP government to in part solve the unemployment problem by turning public boards and corporations into labour absorbing enterprises (Ninsin 1991) and through the establishment Workers Brigade - a public sector, para-military organization (Hart 1973) - to provide employment to the unemployed who could not secure formal employment. There were some modest gains in the employment front. Notwithstanding these gains, the unemployment situation among school leavers could not be reduced significantly by these CPP government’s employment policies or its urban bias import substitution

industrialisation policy. Instead, the growth of the urban labour force outstripped the possible employment avenues.

The limitedness of the formal economy to absorb the growing urban labour force became evident through the retrenchment policy of the National Liberation Council (NLC), which succeeded the CPP government in a coup in 1966. This government embarked on retrenchment exercise to reduce the size of labour force in the public sector. In fact the justification for the retrenchment exercise embarked upon by the National Liberation Council (NLC) was based on the argument that the CPP employment policy increased the size of the public sector disproportionately without consideration to the ability of the economy to sustain such increases. It has been estimated that between February 1966 and January 1970, when NLC was in government, about 80,524 workers were laid off (Ninsin 1991). The majority of those who suffered from the retrenchment exercise were predominantly from the public boards and corporations, which accounted for about 75% of those retrenched and they were characteristically the semi-skilled and the unskilled component of the labour force (Ninsin 1991).

Those expelled from formal employment must depend on some sort of employment for subsistence. The urge to survive necessitates their resort to informal wage employment or self-employment. For many of those without formal jobs their condition dictates that they accept any job that comes in their direction. In line with this Twum-Baah (1983) has for instance indicated that "...workers in marginal jobs also need productive jobs but their poverty and the need for income do not permit them to stay unemployed for long: [they must therefore]...take any job that comes up to survive"(in Ninsin 1991:58). Their economic circumstances make "it imperative that they should be engaged in some activity. Hence, the informal sector becomes their final destination in the economy. It is the ultimate destination because the [formal] economy has no room for them" (Ninsin 1991:58).

The above historical perspective, which highlights the interplay between the content of education and the kind of labour force that were churned out of school and the failure of the modern economy to provide the needed employment for the mass of the labour force, in explaining informalisation in Ghana is significant in one sense. It resonates with the

marginalistic thesis that associate the origins of the informal sector to the high growth rate of the urban labour force (which in itself is explained by rural-urban migration) relative to the rate of economic growth. The expected employment opportunities failed to materialise from the modern economy to absorb the mass of the urban labour force leading to the emergence of an excess reserve army considered as irrelevant for accumulation. The deficiencies of this position are well noted. The dualist argues that the informal sector participant is not a marginal worker who subsists at the margins of the urban economy but someone endowed with independent ingenious abilities to survive the urban environment. The structuralists maintain that the excess reserve army is relevant to capital accumulation, and in fact directly linked to it (refer to the theoretical review in chapter one for detailed elaboration). This leads us to the discussion of informality in the '70 during which most of the studies into the informal sector had this dualistic dent.

The 1970s - The Discovery of the Informal Sector

The 1970s is significant in the sense that it was the period that marked academic enthusiasm in the informal sector vis-à-vis the challenge to the absorption capacity of the formal economy to the growing urban labour force. As it has been shown above, the underlying factors of the unemployment crisis in the formal sector was in place before the '70s. The post-1966 period ushered in unemployment crisis with the later perceived to have been caused partly by the employment policy pursued by the CPP regime by turning public institutions into avenues of employment without consideration to the state's capabilities to support such bureaucratic ventures. To deal with the employment crisis, the military government of the National Liberation Council (NLC, which took power in 1966) with its neoliberal gestures initiated a labour retrenchment policy in the expectation that the private sector would be able to absorb the growing number of people without jobs. The National Redemption Council (NRC)/Supreme Military Council (SMC) that succeeded Progress Party (PP) in a coup in 1972, embarked on indigenisation policy which saw many more labour retrenchments in the private sector (Ninsin 1991). Simultaneously, the NRC/SMC regime pursued an interventionist policy similar to the CPP government. It encouraged the rebuilding of the bureaucratic systems which resulted

in a high government expenditure instigated by inflationary financing (Yaro 2004). Earlier on, the Progress Party arbitrarily dismissed 568 civil servants in 1969. The cumulative effect of these labour retrenchment programmes in part underpinned the increased number of people who were without formal employment - call it increasing formal unemployment. The obvious alternative for those expelled from formal wage employment was to resort to informal sector activities. According to Ninsin (1991), the various entrepreneurial programmes initiated by governments during the seventies and beyond were designed first to deal with mounting unemployment problems and second to help those expelled from formal employment to get established in the informal sector. The political crisis, which manifested itself in frequent changes of governments by the vote of the gun from the late 1960s through to the late 70s, did not bring about a design of consistent programmes to deal with the unemployment problems since the various governments with different ideological dispositions placed different emphasis on how to tackle unemployment.

In the wake of employment crisis in the formal sector, the Ghanaian informal sector was “discovered” as having the potential for income generation among the urban poor. Suffice to state is the study by Hart (1973) into the urban informal sector in Ghana. Hart’s study sought to discount the idea that the reserve army of people outside the formal realm is passive and exploited participant in the urban economy. Hart illustrated graphically, with empirical evidence on how the informal worker in Accra relied on varied livelihood systems to survive the economic exigencies in the city. This according to Hart takes the form of combination of multiple occupations, within and outside the formal sector, which offers a more lasting solution to the predicament of the informal worker. As Hart puts it:

“[Informal work], often as a supplement to [formal] wage-employment, offers itself as a means of salvation. If only the right chance came, the urban workers could break out of the nexus of high cost and low wages which is their lot...[putting it differently] denied success by the formal opportunity structure, these members of the urban sub-proletariat seek informal means of increasing their incomes...[Truly those who call themselves] unemployed are those who

will not accept income opportunities open to them for which they are qualified, and this often means rejecting informal means of making a living” (Hart 1973:67&83).

Hart therefore defines employment not only terms of income opportunities offered in the formal sector but also in terms of multiple employment opportunities in the informal economy, with the latter offering employment promises for the urban mass without formal jobs. The issue that needs to be raised is whether the contemporary informal urban worker in Accra enjoys the luxury of combining formal wage employment with informal sources of income and whether or not “informal means” indeed ensure increases in incomes for the urban proletariat. At best what may be available to the contemporary informal urban worker are multiples of informal sources of income at the household level and single and intermittent informal sources of income at the individual level. Hutchful (2002) has observed that the onset of the crises in the 70s and the 80s and the subsequent minimization of state’s social responsibility have induced a shift of survival responses from the formal to the informal arena. In addition, the experience of casual workers in Tema also points to the lack of multiple sources of casual work and increasing irregularity of incomes (see the analysis in chapter five under regularity and sources of casual work section).

This optimistic view of the informal sector as providing opportunity for employment generation influenced subsequent studies into the informal sector in the ‘70s and beyond, often in collaboration with the ILO. This consequently informed the policies of government and programmes of international development agencies towards the sector with the aim to unravel the creative powers of the informal sector as a means of generating employment within the context of mounting formal unemployment. In a study in Kumasi, Aryee (1977) concluded that the informal sector has the capacity for growth and employment generation. He however, pointed out that the realisation of such growth is inhibited by the very features of the sector, such as inability to meet large orders of goods and services on demand, low quality of products, one-man ownership instead of corporate ownership of enterprises and lack of technical know-how because of the sectors over reliance on apprenticeship system of training. Similarly, ILO considers the lack of growth in the informal sector to the weaknesses inherent in the sector itself and that

addressing these inherent obstacles is a precursor to the sector's growth (see Meagher's analysis 1995:262). This perspective of holding the informal sector as having the key to the problems of employment also became prominent in the '80s and '90s and influenced subsequent studies into the informal sector (see Thoni and Yankson 1985, Yankson 1986, 1998, Baah-Nuako 1994, 2003). In light of the perceived prospects of the informal sector to the revival of the economy, the government of Ghana was reported to have expressed the determination to nurture the sector as the "dynamo of growth, development and modernization" (Baah-Nuako 1994:6). In his 2005 state of the nation address, the President of Ghana mentioned the informal sector as the sphere, "where the turn-around of the Ghanaian economy must be pursued" and to achieve this is to make the sector formal with support from the state. These views on the informal sector are the very ones that are captured in the writings of Hernando de Soto. According to de Soto (2000), the vast resources or assets in the informal sector remain "dead capital" since the intrinsic value of those assets exists without formal representation. To empower the informal sector participants, then, calls for the transformation of their assets into capital and the way to do it is by formalising their assets. It is important to note that not all the participant in the informal sector have assets, many of the minority groups own little or nothing beyond their own labour and to such groups the formalisation of assets and possessions is in itself of little use (Johnson 2002).³

As it would be expected, most of these Ghanaian studies, which are quantitative in nature and mostly describe the external features of the informal sector, have tended to romanticise the informal sector as having the key to solving unemployment and also concentrated their analyses at the enterprise level; oblivious of the conditions under which the informal employees are engaged in informal activities. What is the quality of employment generated in the informal sector? The growth of the informal sector in Ghana has not been even - it has given rise to dialectic of accumulation and marginalisation. In cases where attention has been drawn to informal sector employment, the focus has mainly been on apprentices, who according to Aryee (1977) dominate informal small enterprises in Kumasi, to the near neglect of other types of informal

³ Hilde F. Johnson, the Minister of International Development, Norway made the statement in her opening remarks at a seminar hosted by the Norwegian Ministry of Foreign Affairs to which Hernando de Soto was the keynote speaker on the theme: Formalisation of Property Rights in Eradicating Poverty(2002).

labour utilisation in Ghana. The exception, however, is the current study by Britwum (2002) into informal sector labour relations in rural Ghana in which she differentiated the informal labour types into family labour, child labour, co-operative labour pools, apprenticeship and wage labour (i.e. casual labour). She observed that the social space constituted the platform on which labour relations were contracted and operated with the advantage of humanising employment relations in the rural informal sector as distinguished from the formal sector which turns out to be exploitative in nature. In her view:

“Employees and employers’ relationships were not distant or impersonal. In some instances, e.g. apprenticeship and seasonal casual labour would form part and parcel of the employers’ household and would be entitled to provisioning from their employers like all household members. Employers were expected to treat employees like humans and not abstract entities as in the formal sector. The impact of social relations on the work environment means that capital in the informal rural agriculture did not stand out as an exploitative factor in production as in the formal sector” (Britwum 2002:12).

Whilst on one hand, she recognised the non-exploitative nature of household capital in the rural informal sector, she on the other hand indicated how household relations influence family labour relations and hence the distribution of family resources. The distribution of household production and incomes are shaped by patriarchal domination embedded in traditional norms thus making wives and their female children more vulnerable. As she puts it:

The...[marital] relation between husband and wife overshadows labour relations and tends to blur the wife’s rights as a worker...women have no labour rights [within the family]. The opportunity to negotiate the fruits of her labour depends on her good behaviour and not how hard she has worked to produce those fruits. The norms that compel women and children to work for free for the family male head are on the whole stronger than those that govern the distribution of the resources. Wives are no longer entitled to their traditional share of income from family production. Women are expected to earn their own income outside the family enterprise. The fact that labour

obligations are derived out of marriage makes it difficult for women to see their labour rights as distinct from their marital rights (Britwum 2002:12-13).

The informal labour relations constructed on norms and traditions may be advantageous to the informal rural employee in terms of earning a livelihood, however, it may also constitute a source for the appropriation of labour effort at the household level. Informal labour relations constructed on norms and traditions may not necessarily be non-exploitative.

The ability of the informal sector to generate sustained employment for the urban mass has attracted some skepticism since the “informal sector absorption of the unemployed tends...to be restricted to sectors which offer little more than bare subsistence” (Meagher 1995:268) with limited opportunities of entry into the more lucrative and profitable informal sector enterprises. Elsewhere in West Africa, it has been indicated that lower wages of informal sector employees are regarded as a factor in the accumulation process of informal sector employers (Meagher and Yunusa 1991). Informal sector employees, such as apprentices, are argued to represent cheap source of labour whose employment go to subsidise the incomes of masters. They are not just exploited by their masters; they are often denied wages (Ninsin 1991). In instances where they earn incomes, they are meager and often below the minimum wage, or payment in the form of support for upkeep in situations where the apprentice lives with the master (Britwum 2002) and often work for longer hours.

The 1970s, as it can be gleaned from the above, marked the intensification of unemployment crisis especially in the formal sector, but at the margins of the crises was the enthusiasm expressed in the informal sector to offer the needed employment to those willing to work but have no space in, or expelled from, the formal sector. The economic crisis deepened in the late 70s and the 80s. The expulsion of labour from the formal sector continued and intensified with the implementation of structural adjustment programmes in the 1980s. In qualitative terms, the capability of the informal sector to generate and absorb the mass of the urban poor has been questioned under structural adjustment programmes during the 1980s.

ERP/Structural Adjustment Programmes and Employment in Ghana

The economic crises in the 1970s and the early 1980s provided the background to the adoption of the IMF and the World Bank prescribed Economic Recovery and Structural Adjustment Programmes in 1983. In general, there was a decline in almost all the economic sectors with daring consequences on social life. By 1983 cocoa exports had fallen from a 33% share of the world market in the 1970s to 12% (Manuh 1994). Output in the mineral sector declined over the same period, from 25% to only 14% of earnings (Manuh 1994). Food sufficiency ratio fell from 83% in the period 1961-66 to 71% in 1973-80 and to 23% in 1983 (Manuh 1994). All these occurred in the midst of high inflation; high annual population growth of 2.5%, shortages of essential consumer goods was rampant, and inadequate and/or deteriorating social infrastructure.

Coupled with the economic crisis was the drought and bush fires that destroyed vast exportable agricultural commodities and arable foods, which brought in its wake untold famine and hardship in the country between 1978-79 and 1982-83. This gloomy situation was worsened with the expulsion of over 1million Ghanaians from Nigeria in 1983.

In addition to the economic and environmental crises between the 1970s and the 1980s was the *state crisis*. Hutchful (2002) have identified several factors, though interrelated, that constitute the crisis of the state. He has referred to this crisis as *policy crisis* which culminated into a *crisis of legitimacy* of the state. The Ghanaian state during this period, according to Hutchful, was weak in mobilising fiscal resources from the society. For instance, tax collection dropped from 18.6% of GDP in 1970-71 to 6.5% in 1984. At the same time collection of domestic sales tax fell from 1.7% of GDP in 1970-71 to 0.4% in 1982, which implied shrinking size of the state budget. Tax evasion reached alarming proportions. The poor fiscal position affected the ability of the state to perform regulatory, planning and implementation functions. He maintains that mass departures of skilled professional and budgetary cutbacks led to the collapse of key statistical, research and planning agencies. This was worsened by the breakdown of the central control systems and monitoring agencies in the Civil Service. In effect, the “shrinking capacity of the state in these critical areas was in turn a key reason for both the deteriorating quality of policy and the failure of the analytic work essential to adjustment” (Hutchful 2002:29). Another weakness of the state apparatus according to Hutchful was the incidence of

“ghost workers” (departed workers whose names still remained on payrolls), and this was so among the monthly-rated, non-established and casual workers, who formed as much as 90% of the total wage bill in some government agencies.

Whilst there was mass departure of middle level manpower from the state institutions, the ranks of the junior and casual semi-skilled and unskilled labour continued to increase. Between 1975 and 1983, the bottom ranks of the civil service grew by 14%, even while shortages of inputs were leading to redundancy of existing staff (Hutchful 2002). Hutchful’s observation with regards to ballooning of the semi-skilled and unskilled workers in the civil service between 1975 and 1983 is very consistent with the bureaucratic and interventionist character of the NRC/SMC regime, which dominated this period, and draws some parallels to Nkrumah’s policy of offering employment to a number of young school leavers through public sector para-military organisations such as Workers brigade. It was this semi-skilled and the unskilled workers who were greatly affected by the retrenchment exercise under the adjustment programme.

The malfunctioning of the state apparatus led to the de-legitimation of the state. Long-term mismanagement of the economy and dispersion of national resources led to distrust and disrespect in the capacity of the state to manage the economy to the benefit of all within the civil society. The natural reaction to the state’s decadence by the marginalised groups was “to distance themselves from the state and broaden their autonomy” (Hutchful 2002:31). This Ghanaian situation bears resemblance to the disengagement perspective that became popular in the 1980s, and found resonance in neoliberal thinking. Hutchful adds that holding civil society against the state is misleading and naïve in the particular context of Ghana, because it was not the mobilisation of civil society but the inefficiency of the state apparatus and its coercive institutions that provided the grounds for economic and political change in Ghana in the early 1980s. It is still true that a civil society and marginalised groups disengagement from the state emerged as a result of dissatisfaction with the state’s inability to deliver to the good of the whole population. However, it is important to add that posing civil society against the state is not tolerated in current development discourse - the two are complementary. The informal sector could be treated as a product of inefficiencies in the

interventions of the state and not as a victim of state's intervention. The role of the state should not be confused with the inefficiencies in the state's apparatus.

The legitimacy crisis of the state in particular, coupled with the economic and environmental crises during the 1970s and the 80s, may have provided the impetus for the argument of state's disengagement from the economic management thus preparing the grounds for the adoption of Economic Recovery and Structural Adjustment Programmes, which were to lay the foundations for the magic hands of the market to operate. The ensuing public sector restructuring also led most people to seek their livelihoods in the informal sector which had been discovered by neoliberal scholars to offer potential for growth.

The situation at the time caused the PNDC to turn about to initiate ERP/SAP with blessing from the World Bank and the International Monetary Fund (see Rimmer 1992, chapter 8). This is ironic, because the PNDC rode on neo-Marxist rhetoric and declared to commit itself to development based on self-reliance and delink the Ghanaian economy from the world capitalist system on assuming power in 1981.

The ERP was implemented in phases with the general aim of reversing the economic decline. The first phase, or the stabilisation phase, which was implemented from 1983 to 1986 had the objectives to stabilize public finance, to remove price distortions, to restore producer incentives and to attract external aid. Subsidies on agricultural inputs, petroleum products as well as public utilities were removed. There were price incentives for the export sector. To increase the incentives to boost the cocoa sector, a 65% increase in cocoa producer prices was made. It was also meant to correct balance of trade imbalances through series of devaluations that would make imports expensive and adjust the value of the local currency to a realistic value in relation to the world's leading currencies.

The rehabilitation phase (from 1987-1990 marked the beginning of SAP) sought to ensure substantial economic growth through sector rehabilitation; and to improve public sector management. Emphasis was on structural reforms to enhance conditions for growth and to improve economic efficiency. The programme aimed at reforming and rehabilitating the transport sector, power supply, communication and water supply. The state's role in economic activity was to be reduced and state enterprises were to be rationalized by divesting and liquidating some 200 of them (Manuh 1994).

The economic reforms achieved some successes. Gross National Product (GNP) since 1983 grew by 5% per annum, with annual per capita income growing at 2.4% (Manuh 1994). Agricultural output increased and grew at an annual rate of 5% since 1984. The mining sector registered significant improvements and recorded the highest growth by sector between 1983 and 1988 (Manuh 1994). On the fiscal front, budget deficits were reduced to a low level between 1982 and 1985, while surpluses occurred between 1986 and 1991. Tax reforms led to increase revenue from other sectors of the economy while tax incentives were given to the cocoa sector to boost production. Government expenditures were contained in the initial stages, but could not be sustained due to election financing in the ensuing years.

In spite of the successes chalked under the economic reforms, the impact of the reforms on the workers at the lower ranks of the public sector was massive (Ninsin 1991, Manuh 1994). The economic reform package included the retrenchment of excess labour from the public service, and a freeze on new recruitment into the lower and middle grades in all areas of the public sector in order to cut the government's wage bill. The civil service retrenched 10,500 workers in 1987, 11,000 in 1988, and 12,000 in 1989. During 1988-89, of the estimated 320,000 employees in the total 200 state-owned enterprises, at least 39,800 were retrenched. The Cocoa Board retrenched 29,000 workers by 1988. Also an estimated number of 13,000 jobs were lost in manufacturing and electricity during 1982-84 (figures were cited in Manuh 1994). In addition, according to Hutchful (2002) analysis regarding the ballooning of the lower grades of workers at the public sector between 1975 and 1983, Ninsin (1991) equally observed a similar trend that occurred mainly at the junior staff level of the Ghana Education Service and the Civil Service. The retrenchment exercise accordingly targeted these junior staff including labourers, cleaners, drivers, stewards, cooks, porters, messengers, security personnel, clerical personnel, store officers and secretarial personnel. Following from the freeze on recruitment into the lower echelons of the public sector, it was projected that "no school leavers from primary and junior secondary schools can expect formal wage or salaried employment" (Manuh 1994:67)

The effect of ERP/SAP on rural employment is noted. Some categories of workers employed in plantations in some rural communities were retrenched. Manuh (1994) mentioned in particular the majority of casual workers employed for specific periods who in reality stayed on for longer periods and were converted into permanent staff after some time. Ghana Agricultural Workers Union (GAWU) reported a loss of 14,000 workers in the cocoa sub-sector under SAP, about 12,000 workers from the Food Production Corporation and 9,000 from the state Farms Corporation. Its membership fell from 150,000 to about 110,000 by 1988 (Manuh 1994).

The ultimate effect of the massive retrenchment in the 80s is that it added to the existing reserve army of labour that was occasioned by actions and inactions in the course of the country's political and economic history. The retrenchment exercise weakened membership of organized labour, which amounts to de-collectivation of labour. Ninsin (1991:108-109) in his political economy analysis of the informal sector indicated that:

The availability of a vast reserve army of labour waiting in the wings to catch the next available job...[is] likely to give employers – acting on behalf of capital - the liberty to either decide to lower wages or use the slightest event on the industrial relations front as a pretext to retrench additional labour...Because of the scarcity of job in relation to demand, employers would tend to offer very low wages to the newly employed workers as well as deny them job and social security. That is, in a situation of job scarcity, the members of the reserve army are available to be treated as casual workers. In short, the existence of a vast reserve army of unemployed labour acts as a powerful bargaining tool by which [employers are] able to further cheapen the cost of labour power and generally degrade labour.

As much as this may be a right prognosis of the labour situation vis-à-vis the various retrenchment exercises that were pursued over the course of the political and economic history of Ghana, it lacks empirical foundation.

Tema in Perspective

In 1952, the government of Ghana muted the idea to construct a new port and harbour at Tema. The village of Tema was situated 17 miles to the east of Accra. The inhabitants of Tema village were mostly fishermen and farmers. The original plan was to resettle the indigenous people of the village of Tema in a new place called Tema Manhean by the end of 1953 to pave way for the construction of the port and the harbour. The protracted negotiations between the government and the indigenous people, and the people's distaste for their chief's complicity in the whole scheme, dragged the resettlement exercise. Instead, it took the government seven years to effect the actual evacuation of Old Tema in 1959. Meanwhile between these periods, 1952-1959, the building of Tema Harbour and the New Tema Township was in progress. The significance of the construction of the Tema Harbour and the building of the New Township to this study lies in the instigation of the movement of immigrants to Tema which tended to swell the population

The population of Old Tema in 1937 was estimated at 1,000 (Amarteifio et al. 1966). When another survey was conducted in 1952 the population had shot up to 4,000. By the close of 1959, the population had reached 10,000. According to Amarteifio et al. (1966), out of this figure, 4,000 (of whom) were non-indigenes who had come to work for the contractors and to trade with the workers, who by this time provided large markets for goods and services. Between 1952 and 1959, the population of Old Tema increased by about 100%, the immigration of non-Tema indigenes accounted for 40% of the 1959 population. The majority of the non-indigenous people lived at the Old Tema Zongo.

The Old Tema Zongo was inhabited predominantly by people from northern Ghana, and neighbouring countries, who came to the place in search of jobs. Zongos are common in many Ghanaian towns and cities and according to Amarteifio et al. (1966), Zongos before 1961 were led by a *Zarikin Zongo*, and *Headmen*. The headmen who came under the *Zarikin Zongo* wielded a lot of authority and the major different ethnic groups that lived at the Zongo had their own headman, with each tending to live close to their fellow tribesmen. The practice of organising the different ethnic groups around headmen seemingly crept into the mobilisation of unskilled labour in Tema, which will shortly be seen in the proceeding discussions. The population of these non-indigenous Tema people in 1957 was estimated at 2,385. The dominance of the male population (which was

almost 60% of the total), was used to justify the point that the inhabitants were recent migrants (Amarteifio et al. 1966). With the 1,784 Zongo people who were engaged in some sort of employment, the majority of them were labourers (639), petty traders (584), watchmen (233) and butchers (46).

The site these new migrants occupied was also demarcated for development. However, the initial plan to resettle the indigenous people at Tema Manhean did not capture these recent migrants so they had to be moved to Ashaimang, on the Accra-Ada road, 6 miles from Tema. This was what Amarteifio et al. (1966) reported:

“Persons not entitled to a new house in Tema Manhean at the time of the move were allocated plots on which to build at Ashaimang, on Accra-Ada road...they were also given pieces of timber and corrugated iron sheets from Old Tema after houses were demolished. According to the 1948 census the population of Ashaimang was 185, the 1960 census recorded 2,624 people, most of them had been removed from the Old Tema Zongo.”

Ashaimang, which is today at the periphery of the Tema Township, exhibits all the characteristics of a slum community: highly congested, lacking basic amenities, and displaying poor sanitary conditions. The place is populated by low income residents living in shabby houses. It has also come to serve as the bastion for the supply of cheap labour.

The influx of immigrants to Tema, according to Amarteifio et al. (1966), was a direct consequence of the large scale development resulting in the building of Tema Harbour and Tema New Town. To further buttress this, the population distribution of the new migrants to Tema Manhean in 1961 (two years after the resettlement scheme had been completed) showed a preponderance of youthful male population. Apparently most of them had come to Tema to either work on the new port or on their own behalf as semi-skilled and unskilled workers.

The population of Tema together with its suburbs grew to about 80,000 in 1968 largely due to the influx of skilled and unskilled workers with implications on the employment

front for both literate and illiterate workers. Peil's (1969) study in Tema and its suburb, Ashaiman, revealed that as major building projects were completed, and with the stagnation of the country's economy, the government and the private industries were not in the position to start new projects. In effect, there were limited job openings for electricians, steel benders, plumbers and carpenters (skills that are learn through the apprenticeship system). The exception, according to Peil, was unskilled labour that was highly utilised by the port. Her analysis indicated that unemployment was highest among middle school leavers. She recognized the educational inadequacy of the middle school leavers and how it limited their job search and opportunities:

“Studies of middle school leavers in this area have shown that they are quite aware of the limitations of their education and look to semi-skilled work as the best prospect for those unable to get an apprenticeship. Tema is noted for having relatively high proportion of semi-skilled work and wage rates are higher than in Accra. More people mentioned unskilled work as an alternative rather than as the job they were looking for, and workers in all categories were doing unskilled work to support themselves. Those seeking only unskilled work were largely uneducated and many came form outside Ghana” (1969:413-414).

“The typical man seeking a skilled job was the [man] who had entered his apprenticeship soon after leaving middle school, migrated to Tema during the early growth years and had lost his two previous jobs through redundancy. Now in his late twenties, he was trying to support his family by doing odd jobs while waiting for building of the next section of Tema to begin” (1969:413).

It is worth noting that unemployment was not the lot of the unskilled workers and those with least education only, but also the skilled (defined in terms of apprenticeship skills) worker in Tema. The unskilled or the semi-skilled Tema worker, by the very fact of their educational background, had limited opportunities in getting job in areas that required apprenticeship skills, and to the skilled workers the sporadic and irregular nature of the Tema building projects to which they mostly depended on, sometimes rendered them temporary unemployed.

Peil's analyses of Tema unemployment in the late sixties complement other discourses on the processes of informalisation that occurred at the national level during the 1960s. That is, the churning out of ill-equipped school leavers to compete for limited job opportunities in the labour market, and the failure of the modern economy to expand to absorb such large numbers, compelled most of them to seek informal employment (refer to page 27 for Hart and Ninsin analyses).

The unskilled and the semi-skilled workers historically relied on multiple channels to look for jobs. Generally, it is noted that informal workers tend to rely mostly on informal social contacts, such as kinship networks, in search for job. The situation in Tema historically, seemed not to conform to this general idea. On the contrary, studies in the sixties points to the fact that kinship networks were least relied on by unskilled and semi-skilled workers in their job searching efforts in Tema. The reason for such a paradox was attributed in part to the newness of the Tema Township and also to the fact that the recency of the migrant workers made it less likely for them to have a set of social networks on which they could rely on in the process of their job searches (Peil 1969).

This situation in Tema was equally understandable because at the time all medium and low level jobs were by statue required to be filled through the Tema Labour Office. According to Peil's study, the majority of the migrants sought work through the Labour Office, which more or less served as a replacement for, or in some cases in combination with, sparse use of kinship relations.

The effectuality of the Labour Office was tested under growing unemployment. As the period of unemployment began to lengthen, as a result of the growing unemployment, the people began to loss faith in the ability of the Labour Office to help them. Peil's (1969) study indicated that about one in eight of the men who visited the Labour Office said it was useless and that there were no jobs to be offered to them. There were also complaints of bribe taking against the Labour Officers. A number of the unemployed who frequented the Labour office indicated that bribes and connections were necessary for one to obtain job. Incidence of bribe taking should indeed be expected in situations of large numbers of unemployed as against very few job openings.

Tema has grown to become a hub of economic activity in Ghana offering employment to many categories of people. The population of Tema in 1984 stood at 191,000 and it was projected to reach 359,000 in 2000 (Asafo-Boakye 1993 in Darko 2001). Tema is now a major port and industrial city in Ghana. The harbour area is constituted of the main harbour and the fishing harbour.

The main harbour handles large proportions of the country's imports - raw materials for the industries, vehicles, and general cargo - and export commodities such as cocoa. The fishing harbour, the biggest in the country, is the major terminal for a number of fishing vessels both local and international. At the main and the fishing harbours is found large a pool of casual workers who are hired either through an individual contractor or a firm-like agency to undertake loading and unloading tasks for stevedore companies.

Tema houses the country's major industrial establishments that are into the manufacturing of pharmaceuticals, daily wares, textiles, iron and steel, aluminum smelting, etc. The onset of the economic crisis in the 1980s caused some of the industries to either fold up or reduce the scale of their activities.

The above historical account seems to emphasize the point that informality in Tema is steeped in historical processes and structures and that to understand the process of mobilising casual workers in Tema is also to analyse informal work historically in the area.

Description of Labour Intermediary Agents in the Study Area

The mobilisation and management of temporary workers or casual workers in an institutionalised form is relatively recent. However, those operating at the harbour exhibit structures that are situated in history. The exact number of intermediary labour agents operating in Ghana is unknown. Some of the labour intermediaries contacted have been in operation for the past decade.

Established in 1995, L'aine Services, a highly institutionalised recruitment agency, has some characteristics which are similar to employment agencies operating in the West. The agency is engaged in recruitment of temporary staff and what is considered as permanent outsourced staff. The temporary staff worker may be on the job for a duration

ranging between a day and a year, whilst the permanent outsourced staff work for the client permanently, but remain on the pay roll of the agency. The agency recruits different categories of workers. Among them are unskilled and semi-skilled factory hands, house helps, caretakers, cooks, secretaries, messengers, hotel attendants, drivers etc. It has the responsibility to manage the pay roll and attendance of its “outsourced” or hired workers in the factories. It has about 1,000 outsourced workers whom they recruited for and manage at the premises of the client companies. The agency has numerous lucrative clients including multinational companies, state institutions, hotels, banks and other private companies.

In sharp contrast to L’aine Services, The Househelp Agency is a sole proprietorship agency that specialises mostly in the supply of househelps. Though it began its operation by supplying mainly househelps, in recent times, because of the demand for drivers, gardeners and cook stewards it has expanded its operations to cover them. What the client has to do is to simply walk to the agency’s outfit and bargain for the price of the domestic worker she wants. The client fills a form detailing the type of domestic worker she wants. On this same form are indicated the terms of the contract. The agency then matches this request form with a piled of registration forms, which indicates the profile of the would-be worker, and select the worker for the client. The initial financial obligation of the would-be domestic worker towards the agency is the registration payment of 10,000 cedis (\$1.00)⁴. Once a job is secured for the worker, one third of her first monthly salary is taken by the agency. The monthly salaries of the workers range from 150,000 to 300,000 cedis (\$16-66) per month. In the wake of escalating incidence of robbery, the clients place premium on honesty and trust. Accordingly, the applicants’ backgrounds are thoroughly checked and screened by the agency before they are considered for employment. The agency constantly conducts follow-ups to ensure that the terms of the employment engagement are not abused by the clients. In times of abuse, the agency withdraws the worker and places her in another job. Most of the domestic workers supplied by this agency are young girls, the majority of them are migrants from the village.

⁴ US\$1.00 was equivalent to 9,000 Ghanaian cedis as at 2004.

The Ghana Dock Labour Company and National Fish Stevedores Association operate at the Tema Main Harbour and Fishing Harbour respectively. GDLC was formed in 2002 as a response to diffuse agitation by the casual dock workers on March 5, 2002. NFSA on the other hand was incorporated in 1999. These agencies were recently formed but their current structures are fashioned out based on the gang system that had long established itself at the port. I would want to first highlight the features of the gang system before turning our attention to the features and mode of operations of these agencies.

The gang system bears resemblance to Lourenco-Lindell's (2002) description of day labour in Bissau, where day workers are organised into groups with headman who intermediates between the employers and the day workers. The employment relations between the casual workers and the employers are highly informal entailing neither social security, nor compensations for injuries picked up at the worksite. In Tema today, the independent operation of the gang system at the Main and the Fishing Harbour, except in warehouses, is no longer in vogue. Instead they have been adopted by the agencies, which have brought about redefinition of the dynamics of the gang system.

Prior to the establishment of, for instance GDLC, the gang system operated partially independent of the Labour Office (see page 45), a recruitment outfit that recruited unskilled and semi-skilled labour for Ghana Port and Harbours Authority and other companies. Even though the Labour Office was officially obliged to recruit casual dockworkers, the role of the headmen was pivotal in the recruitment process.

The Gang System

The gang system is a group of casual workers and a headman. The headman is the leader of the group. The gang consists of either 8 (shore) or 13 (on-board) regular members excluding the headman. The regular casuals are always assured of work whenever their gang is booked for work. At the margin of the gang system is what is called the *replacement casual workers*. They represent a kind of buffer casual workers and also constitute an entry point to the gang system. In the event that a regular member of the gang is absent, a replacement worker is then called to fill the vacancy until the member returns. One could also graduate from replacement casual worker to a regular member in situations of permanent vacancy in the gang. The structure of the gang system is

hierarchically arranged such that the *headman* is at the top, followed by the *regular members* and at the bottom are the *replacement workers*, whose job allocation are highly irregular and unpredictable compared to *regular* gang members. It is important to note that the insertion of agencies into the arrangement of casual workers has had differing impacts on these different categories of workers (see pp 64-68).

Previously the headmen were considered as tin gods, who could hire and fire the members of the gangs at will and merely inform the Labour Office about their actions. Entry into the casual work at the port in general, and into a gang was highly restricted to reduce competition among the casual workers for job allocation, a situation which has changed under the current arrangements with the hire agency as would be shown in the next chapter. Personal contacts were very important to enable one to secure a place in a gang. Would-be workers were in most instances introduced to the headmen by other dockworkers, officials at the Labour Office, friends and relatives. Once they were introduced to the headman, he then placed them on *replacement* and monitors their performance for their eligibility into the gang system. The progression of the new entrants into regular membership was contingent upon ones conformity with the gang culture: hard work, honesty, discipline, and most importantly respect for the headman. The gang culture was/is also linked to issues of welfare, sometimes in the forms of financial support to fellow gang members who were/are in need. Such new entrants could work as replacement casual workers for about 3 years before they would be absorbed into the gang, when there was a permanent vacancy.

It was gathered on the field that there were about 20 different gang groups that operated at the Main Harbour until 2002. Their main offices were under tree sheds with no records on their activities. The headmen had sole knowledge of any work agreements that existed between the workers and the employers, and was responsible for effecting the payments of wages, which were done immediately after the day's work. Contrary to the belief that day workers generally lack remunerative benefits, the day workers in Tema were entitled to annual bonuses and leave allowances (a practice which is still in vogue).

There were complaints to the effect that the headmen could use their position to manipulate wage and payments of bonuses and allowances meant for their gangmen. There were reported cases of the practice whereby the headmen could reduce the size of

the gang to perform the usual quantum of the job meant for the required size of the gang. Savings made for reducing the size of the gang went to the headmen. Regular members who dared to challenge their misdeeds were threatened with loss of membership in the gang. The headmen, even though were also casual workers, by the very fact of their leadership position, wielded a lot of control over their members. They were in fact individual agents whose role helped to link casual workers to employers at the port.

Ghana Dock Labour Company is a privately owned labour recruitment agency. The owners of this company are eight stevedore companies, including Ghana Ports and Harbour Authority, and the Maritime and Dockworker Union (MDU), a majority shareholder with 20% shares. The remaining 80% shares go to the eight stevedore companies. GDLC was established to recruit, administer and manage casual labour for the stevedore companies. In other words, the employers or the clients established the company to supply labour to themselves. GDLC derived most of its current crop of casual workers from the *retrenched* casual workers who worked under Ghana Ports and Harbours Authority (GPHA) through the Labour Office. On 28th May, 2002, the former casual workers of GPHA embarked on a demonstration to press the authority to effect the right payment of their severance benefits. In the midst of the demonstrations, GDLC which had newly been established carried announcements on air for individuals interested in working at the port to register with it. It then began to register new hands to replace the striking casual workers. This move was indeed meant to break the front of the striking casual workers, who in the end had to register with GDLC (see *The Ghanaian Chronicle* report carried by ghanaweb, 30th May 2002 in appendix 2).

An official at GDLC described the company as an attempt by its owners to formalise the organisation and management of casual work at the harbour, which represents a departure from the informal way of organising the casual workers. Similarly, the Secretary General of Ghana TUC was reported in the media to have lauded the ingenuity that went into the creation of this labour hire agency and its contribution to employment generation in Ghana⁵. GDLC specialises in the supply of dock casual workers and like

⁵ The report in question was on the website of Spacefm, a Sunyani based Local FM station (date not available)

L'aine Services, it represents another institutionalised form of mobilising and organising temporary workers. It has modern administrative setup, made up of operations, accounts, allocation, personnel and safety offices. In place of tree sheds, the agency has constructed a big shed under which the workers sit and wait for their work allocations. A television set is provided for the waiting workers under the shed to help them kill boredom. When job becomes available one could hear loud noises from speakers, calling the gangs booked for the day's work. The booked gangs are then provided with vehicles to ensure their quick dispatch from the agency's premises to the worksite. The company has created 45 gangs which work on board the ships and 59 shore gangs. The workers are categorised into ordinary dockworkers, winch men, tally clerks, and heavy duty operators.

The agency has adopted and adapted the structure of the gang system into its operations. The headman provides leadership to the gangs, but does not play an intermediary role between the workers and employers. By virtue of their experience, they have been maintained to supervise the gangmen and to train new entrants who are frequently filled into the gang. There are also about 150 casual workers who are on the agency's replacement list. The agency could supply 4000 casual workers on demand but has about 2500 active workers in its book. The local union of the casual workers negotiates with the agency for better working conditions for the workers. An affiliate of MDU carries the name GDLC non-permanent workers of MDU. Some of the executives of the union are also casual workers; in fact they are headmen and the likelihood for them to be enticed with special work allocations is very high. This represents crafty cooption of the labour union into the operations of the agency. Most of the workers interviewed had little faith in the ability of their union to bring about any positive changes in their working conditions. The union do have teeth but cannot bite. Why can a local union, which is affiliated to a major shareholder of the agency - MDU - claim to fight for an improvement in working conditions for the workers? The Local Union can at best be described as a welfare union. On the front of negotiating for better wages and improved working conditions the union has not achieve much. It is being seen as an avenue by the workers to seek financial support in the face of dwindling incomes.

National Fish Stevedores Association (NFSA), which operates at the fishing harbour, is an amalgamation of 17 individual contractors. NFSA is not a labour agency per se, but as one executive member indicated, “it is an association that was established on the instigation of government to regulate the activities of the contractors that handle frozen cargo at this port”. The minimum labour requirements the association uses for its operations in a day is about 600. Each contractor maintains some kind of gang but not very structured. The size of the gang is not fixed as in the case of GDLC. It is highly variable and depends on the volume of cargo that the contractor has got to discharge. On a particular day a gang of 10 men is used, on another day a gang of 7 men would be used depending on the volume of work and how fast or slow the owner of the fish wants his cargo to be discharged. Due to the unpredictability of the arrivals of vessels, the gangs maintain some sort of core or permanent members, whose services can be relied on at any moment. Some of the gang members have been in this business for about 15 years, and it is such hands that constitute the core members of the gang. About 40% of the total workforce that is dispatched to work at a time constitutes the old hands. The association does not have a systematic method for recruiting the casual workers. When an official of the association was asked about the method they use to recruit people, his response was that: “if you are short of money, you will come here”. Meaning that the casual workers, particularly those considered as outliers, willingly walk to the premises of the association to look for job. In times of high volume of work, the headmen simply walk around and mobilise some of the *mango mango boys* (young men who hang around under trees) to join their gangs.

Chapter Five

Employment relations of the Labour Intermediary Workers

This chapter is devoted to the characteristics of the workers and the nature of employment relations between them, and the agency and the employers on the other hand. The employment relation is disaggregated to cover issues such as the nature of contract, regularity of job and number of hours, wages and income, benefits enjoyed by the workers, training and skill acquisition, career progression, and issues related to health and risks (Lawson 1992). The downgrading or upgrading of the conditions of workers is directly influenced by the very nature of these issues. What then is the effect of the insertion of agencies in the recruitment process on the employment relations of the casual worker?

The Background of the Casual/Temporary Workers

The demographic characteristics of casual workers included in the interviews showed a preponderance of a youthful population between the ages of 20 and 35. The majority of them had secondary, middle and vocational education. The reasons for not being able to continue the education was either because the father died in the course of schooling or the family could not raise the needed funds to pay the school fees. There were few instances where individuals with higher educational qualification entered the casual labour market. Such individuals started as casual tally clerks, in the case of the port, as a way of gaining entry into lucrative sections of the Maritime business. In addition to either middle or secondary education, greater number of the interviewees had apprenticeship skills such as carpentry, mechanics, tailoring, auto electrician etc. They have taken up their current job with the expectation that they could raise enough capital to start their own small businesses, but most of them seem to have been trapped in the casual labour market with the least promise that they could raise such capital against the backdrop of dwindling income and harsh economic conditions. For some of the workers at the port, the only work they have known is casual work, with some of them having worked as casual workers for close to 15 years. To most of the casual workers at GDLC, their career path can be described as from *permanent casuals to agency casuals*.

Due to the strenuous nature of the work and the physical strength that is required to undertake the loading and unloading tasks, casual work at the port is male dominated. On the other hand, The Househelp Agency, which supplies mainly domestic workers, is dominated by female workers. L'aine Services supplies mixes of male and female outsourced temporary workers, however, the factory hands are predominantly male workers, whilst its domestic workers are mainly females.

The origin of the casual workers employed through the agencies at the port is diverse. Most of them are from northern Ghana. There are also immigrant casual workers from neighbouring countries such as Mali, Niger and Nigeria. According to the secretary of GDLC non-permanent workers union of MDU, about 35% of the workers are immigrants, with the majority of them coming from Niger and Mali. The workers travel wide and afar from places such as Kasoa, Accra New Town, Ashiaman and Nima (some of these places are slum areas) to converge at the premises of the agencies almost everyday to count their stars for job allocation.

The Nature of the Job

Generally, the casual workers perform manual jobs, mainly loading, unloading ship cargo, forklift drivers, sorting and packing of bottle into crates, packing of pallets, cleaning etc. The discharge of cargo at the port is highly strenuous, which tell a lot on the health of the workers. A gang of 13 men discharges 5,000 bags of rice or sugar (if a bag of rice weighs 50 kgs) per shift (12 hours). This translates into 384.6 bags or 1,9230 kgs per head⁶. On the other hand, if the bag of either rice or sugar is 25 kgs, it then means that they have to discharge 10,000 bags per shift. For fertilizers, it is 4,000 bags for 50 kg or 8,000 bags for 25kgs. This is how an interviewee captured the drudgery nature of the job:

Truly speaking, the work here is very difficult. If you go to work first and second times continuously, the third day, if you are not very strong you may not come back again. So here, we always keep on changing the gang members. Sometimes we fill 8-9 members exactly for the gangs. If you work with them for some time, you will not see some of the members again. If you go to their

⁶ The headman is excluded in this calculation, since in most cases he is not directly involved in the actual discharge of the cargo.

houses to look for them, you will not find them. The work we do here is very wearisome. It is not school book. It is physical. Majority of the workers here have hernia problems because of the lifting. We don't have any education in the system. They don't teach us anything at work. They don't organise any educational programmes on even how to lift heavy things. The boys lift things anyhow.

Training and Skills

With the exception of L'aine Services, which has special training packages for its domestic assistants, the rest of the agencies adopt on-the-job training for the casual workers. As indicated in chapter three, under the *headmanship* system, the 3 year period that the new entrants needed in order to progress to regular casual workers was also regarded as a period of training during which they learned the job under the tutelage of the headman. There are certain categories of the casual workers such as plant operators and tally clerks whose job functions require some experience or a good educational background. In these areas, the agencies prefer to deal with individuals with some experience. But for those who are physically engaged in the loading and unloading of goods, the only requirement needed of them is their physical strength. This is how an agent at the fishing harbour reacted to the training of the casual workers:

For the new hands, they don't know the difference between tuna fish and "shikaskika". If for instance I need a worker just for loading, if you come here I will employ you but you will not sort the fish. The old hands I must say learn their skill on-the-job. It is only now that we are organising some sort of training for them. But no matter the type of training we organise, it is going to be on-the-job. When it comes to sorting of fish, there are about 10 different kinds of fish. We don't have the drawings of the fish to tell that this is tuna or shikashika. The skilled worker (who apparently is a regular or as they call it permanent casual) just handles and looks at it to determine the type and the weight of the fish and put it in the right container. You see, you can't train that theoretically. It is always on the job-practical training.

With regards to GDLC, the training strategy is that of pairing experienced casual workers, most of whom were retrenched casuals from GPHA, with the inexperienced or the new entrants. The new entrants are frequently filled into the gangs by the agency, and no longer have to follow the labour gang for the usual three years before they are accepted into the gangs. In this situation, the headman who in this case has no control over who should be in the gang, but by virtue of his experience is appointed the leader of the gang, may have to decide on the right pairing at the worksite. Sometimes the headmen have to work alongside with the gang members and demonstrate to the new entrants the antics of the job - in this way the new entrants get to learn the job. On-the-job training has an obvious cost advantage to the employers. It absorbs the employers from expenses that could have been incurred in organising training programmes for the workers.

Contract of Employment between the Workers and Employers

“...the employment contact [contract] between employers and employees is replaced by a commercial contract between the labour hire company and its client company”
(Endresen 2000:8).

The client companies do not enter into any employment agreement with the casual workers, but rather the labour hire agencies. In situations where there exist employment agreements, they are between the employees and labour hire agencies. The contracts exist in either written or in oral forms. To the clients, the hire agencies are obliged to supply their products, in this case labour power, to them on demand. The agencies' workers were persistently asked by the client companies; *aren't you casual workers from Dock Labour or contract workers from L'aine Services?* Thus making a distinction between their employees and hired or contract casual workers from the agencies. An official at GDLC indicated that the agency enters into contractual agreements with both the clients and the workers. With regards to the workers, as part of the terms of the contracts, the agency is entitled to provide protective apparels, leave allowance, annual bonus, provident fund, overtime payments, social security, and transport for the workers to the work station. However, when the workers were asked whether there exist any contract between them and the hire agency, the response was in the negative:

As casual workers, we don't have any contract to sign. The name casual itself signifies that, if you like, you come to work and if you don't like you don't come to work. If you come to work today and find out that the job is too difficult you can decide not to come here again. As soon as you are registered you can get a gang. But Down There, the contract that we had, with the headmen, was to conform to the gang culture, which regulated the way we performed our job. Even though we are currently registered under dock labour, the headmen together with the local union leaders in a sense serve as channel through whom we get to know the terms of our work here. They are the ones who communicate to us what our obligations are at the worksite and all issues related to our work entitlements.

In the absence of written employment contract, the contract between the casual workers and the agency is constructed orally or informally through the headmen and the local union. Even though the workers do not have any written contract showing the terms of their employment engagements, they showed a good knowledge of what their obligations are, and what they are entitled to receive from the agency. The role of the local union of the casual workers has been instrumental in creating the awareness among the casual workers about their work entitlements;

The union put on the notice board the figures for overtime rate, transport allowances and the basic rates for everybody to see so that nobody can cheat the workers. Those days when the casuals were operating under tree sheds, it was not so. There were some of the workers that if you asked them what their basic rate was, they didn't know. What they could tell you was that "the headman gave me 49,000 cedis". Those days at the end of the year, the client companies would bring something like 10 million cedis to the headman to distribute to the gang members as their annual bonuses and leave allowances. Because there were no records covering the number of hours the workers might have worked in the course of the year, the headmen took advantage of the situation and made under payments to the casual workers. But here the awareness is very high and that is keeping some of the headmen financially down (the secretary of the local union).

In the case of L'aine Services, their temporary workers do have formal written contracts, but the terms of the contract of employment do not formalise the employment contract between the workers and the employers. Refer to appendix 3 for the content of the terms and conditions of employment of a contract worker who had 3 months continuous employment as factory hand through L'aine Services.

This worker in question was reappointed for another three months on January 10th, 2003, and had his appointment terminated on the 12th of April, 2003. The reason for his dismissal was that he happened to doze during night shift. The next day when he went to report to the agency, the factory manager had already lodged a complaint. His dismissal letter was immediately given to him. Probably sleeping at work was the last straw that was used to break the camel's back. Prior to this incidence, some casual workers of this company in question, about 30 of them, agitated for the restoration of some deductions that had been made to their salaries. This might have been the real cause of the dismissal of this worker and 30 others.

Unlike other casual workers, who may not know when the next job would be available; this worker was at least assured of a kind of *continuous employment* for three months, yet his job was highly contingent. The above example illustrates the point that seeking employment through an institutionalised agency may not safeguard employment security of the casual worker through the mere provision of written documents if the terms and the conditions spelt out in the contract are poor. In this case the terms of the employment makes the worker more vulnerable to the exploits of the client company.

Wages and Benefits of the Workers

The wages of the workers in this study are not uniform. They are based on hourly rates, eight-hour basic rate and per day rate. The factory hand workers from L'aine Services are paid based on an hourly rate, whilst casual workers from GDLC and the fishing harbour are paid using 8 hr basic and per day rates respectively. Whilst some of the factory hands employed through L'aine Services were receiving somewhere around 500,000 cedis (\$56) as their monthly salary, the ordinary casual workers at the fishing harbour were getting 20,000 cedis (\$2.2) per day, payable to them every two days after the day's work – it is

important to note that this figure is determined regardless of the number of hours worked during the day's work. At GDLC, the workers are paid three days after one finishes his work schedule. To some of the casual workers, their daily survival depends so much on the casual job that allowing three days to elapse before their wages are paid puts their daily livelihoods on the edge:

When we were Down There, we were paid daily but here it takes three days before payments are done. Some of them travel long distances to this place, they have wives and kids to look after, and they have no money at home, so they come here with the hope that at the end of the day's job they will get money back home. They finish the job and the money is not paid to them immediately - it has to take three days. What is he going to use to pay for transport back home? It is a problem because you may for instance, work on Monday and take the money on Thursday. Between Monday and Thursday you have to borrow against your money. So by the time you are paid, what will be left in your pocket would be about 10,000 cedis (\$ 1.1) or 20,000 - \$2.2 (an interview with a headman).

The wage for the casual workers at GDLC varies according to the category in which the worker belongs to. Category one is made up of the ordinary dockworkers, such as the regular gang members and the replacement casual workers. Category two is constituted of plant operators and winch men and category three; headmen and tally clerks. Their supposed wages for weekdays were as follow;

Category 1

Basic wage per 8 hours = 21,894 cedis

Overtime rate per hour = 4,106 cedis (multiplied by 4)⁷

Transport allowance = 9,150 cedis (fixed for all the categories)

Gross wage = 47,468

Deductions (apply to all the various groups);

Welfare fund to the local union = 1,000 cedis

Dues to the mother union (Maritime and Dockworkers Union) = 500 cedis

⁷ On average most of the workers are required to finish their shifts in 12 hours, meaning 4 hrs overtime

Social security contribution = 973 cedis

If the casual worker in this category works in a day shift he is suppose to take home about 44,935 cedis (\$5.00). This figure is very close to the 40,000 cedis (\$4.4) the workers persistently quoted as their actual wage for the 12 hour day shift. During night shifts, they enjoy night allowance of 11,055 cedis (\$1.2). During night shifts they are suppose to earn 55,990 (\$6.2) as against the 50,000 cedis (\$ 5.8) the workers quoted as their wage for night shifts for normal week days. During weekends, this group of casual workers earns 5,274 cedis as overtime rate per hour and 27,625 cedis as weekend night allowance.

Category 3

Day shift (weekdays)

Basic rate for 8hours = 26,370 cedis

Overtime rate per hour = 4,944 cedis (multiplied by 4)

Transport allowance = 9,150 cedis

Total deductions = 2,473 cedis

Suppose take home wage = 52,823 cedis (\$5.8). The headmen who are in this group also quoted 47,000 (\$5.2) as their actual take home wage for day shift. Is it a sheer coincidence that the difference between what they are supposed to earn as the wage for day shift and what the workers actually quoted for both group 1 and 2 is \$0.6?

Night shift (weekdays)

Take home pay for day shift = 52,823 cedis

Night allowance = 13,310 cedis

Total = 66133 (\$7.4). In this instance too, the headmen quoted 59,000 (\$6.6) as what they actually earn as their take home wage. The overtime rate and weekend night allowance for group 3 are 6,593 and 33,281 respectively (see appendix 4 for detailed figures on wages and allowances for the other groups). In addition to social security and night allowances, the casual workers are entitled to provident fund and medical allowances. The agency finances the allowances and other benefits through the premium they charge the client companies.

Related to the wages of the casual workers at GDLC is what can be termed as *target wage*. This is an income incentive that is given to the casual workers if they are able to meet their work schedule before the allotted time of 12 hours per shift. Looking at the margin that the workers receive vis-à-vis the wage for the normal 12 hour shift (2000 cedis or \$0.2 difference), it is the merchants and the shipping companies that stand to benefit most. Unlike the dock labour, the gang members who are organised under NFSA do not work on target. Sometimes if a job which is supposed to be completed in three days is done in two days, the workers are paid a day's wage in addition. The case below is how a respondent explain the logic underlying the target system:

Originally it was difficult for the shipping merchants to determine locally when they could finish unloading their vessels which was always a border to them. The longer the vessel stays at berth the higher the charges and any profit-oriented enterprise would want to avoid any delays at the port. You know our people when there are no such incentives (target incentive); they adopt what they call delay tactics. So from 7:30am, when the morning shift starts to 7:00pm, you would be surprise that within that period they could discharge 500 bags or 1,000 bags. With such delays in discharging cargo, they were paying more in terms of port and handling charges. So they sat down and came up with this idea to avoid such delays. The target strategy is helping them because they know that a gang per shift is 5,000 bags (250 tonnes), and when everything goes on well they can run about three shifts within 24 hours. This saves them from delays and cost. They sometimes reward the hardworking gangs with extra monies, apart from what dock labour gives them.

The wages above obviously were higher than the official national minimum wage⁸. This was used by some of the agency officials to make the case that the wage they offer to the casual workers was higher than the minimum national wage used in the formal sector. On face value, the casual workers earn a wage higher than the minimum wage; however, there is a critical issue to the nature of casual work that renders this position defective, and that is the frequency or the regularity at which the casual workers get job allocations.

⁸ Minimum wage as at 2004 was 11,000 cedis or approximately \$1.2

The regularity or otherwise of getting job allocation influences the income of the worker. Under the current circumstances it is very rare for the casual workers to secure regular casual jobs. This would be discussed in the next section. It is also important to find out if the current earnings of the casual workers are comparable to what they might have earned if they were employed directly by the employers, or to their previous earnings. Particularly for those workers who have been in the casual labour market for a long time it was easy for them to compare the size of their incomes as agency casuals with their previous incomes. Generally the impression gathered in the field suggests reduction in the size and increasing irregularity of their incomes.

According to some of the workers they would have, for instance, earned better income than what they earned currently if they were employed directly by the shipping merchants or if the agency were to supply labour directly to the shipping merchants, or as is the case of other gangs which work independently in other warehouses. This is what an interviewee, who happened to be an executive member of the local union of the casual workers at GDLC, had to say in connection to this:

The agency is also dancing to the tune of the masters. And what is the tune of the masters? Let the guys work more; pay them less so that we make more money. Exploitation has been my watch word anytime we go for negotiations. When you take the figures i.e. the international rates that the stevedore companies are charging they should have paid the casual workers more. Take for instance the overtime rates per hour for regular casuals and tally clerks, they charge the merchant ships \$2.6 (23,400 cedis) and \$4.4 (36,000 cedis) per head respectively. Out of these figures they pay these two categories of workers \$0.5 (4,106 cedis) and \$0.6 (4,944 cedis) as overtime rates per hour respectively. When it comes to the basic rate per 8hours, they charge the shipping merchants \$ 16.32 (146,880 cedis) per head. If you look at what they are paying to our workers it is pure exploitation. So we have started suggesting that dock labour should be made to provide labour directly to the shipping merchants and let's see what happens. The workers are highly dissatisfied because if you compare the nature of the job they do here to the earnings that accrue to them, it is an insult.

Another dimension to this is also that when you compare what our boys earn compared to those gangs that work outside in warehouses is not enough. In our

case, eight people have to load 5,000 bags, and if you consider the money paid to these eight people, it is less than those who work outside in warehouses. The boys know about this and they sometimes make references to a situation where 14-15 people who work in warehouse load 1,000 bags and receive 60,000 cedis per head as compare to their case where 8 people load 5,000 bags and earns about 42,000 cedis per head. The number of people in the gang that handles the tonnage (250 tonnes) is too small - they have to increase it.

With all the agencies interviewed, only GDLC pays the casual workers annual bonuses and leave allowances. As much as this is a unique dimension to casual work, the workers covered in the interview frequently complained about the shrinking size of their leave allowances and annual bonuses compared to their previous allowances. This is the description some of the headmen gave to the situation:

The back pay we used to receive down there was far more than the bonus, back pay and leave allowance altogether, that was given to me last year. Some of the workers, the whole year, including a brother of mine took 6,000 cedis as their annual bonus. To date some of the workers have not received their annual bonuses and leave allowances for last year. I, for instance, the annual bonus I got fell short of the number of days I had worked. I have records and the records of my gang members of the number days we worked.

To another headman, this is what he had to say in connection to allowances and bonuses:

Last year I received 395,000 cedis (\$ 43.9) as my annual bonuses and leave allowances, which was far less than what I used to receive before coming to work under this agency. When you complain that what they have paid you doesn't commensurate to the number of days you have worked, they tell you it was a computer mistake and that supplementary payment would follow. If you dare raise your voice again about the non-payment of the money, they begin to threaten you with suspension. They tell you that their doors are opened and that if you feel you can't work with them you can walk out.

Administrative lapses intentionally or otherwise may account for this state of the workers' allowances. Another dimension to this state of affairs is the fact that casual workers earn income only when there is job to be done and so any changes in the frequency of getting job allocation definitely affects all aspects of their incomes, including allowances and wages.

The benefits enjoyed by the casual workers covered in the interview are not even. Whilst GDLC offers transport, leave and annual bonuses to its hired workers, the other labour intermediary agencies do not. For NFSA, the only benefit offered to the casual workers was a free meal and this is what a contract worker from L'aine Services, who worked with a multinational company, had to say:

We were not given canteen fees and the management (the client company) did not allow us to use the staff bus. According to them we were contract workers from L'aine Services and that it was the agency that was suppose to cater for our transportation needs and that if there was anything we seemed not to understand we had to sought it out with the agency because they paid the agency to provide us with transportation. Again we were not issued I.D. cards and it was embarrassing to attempt to enter the factory premises without one.

Regularity and Sources of Casual Work

The regularity or the frequency at which an individual is booked or contracted by the hire agency to undertake a task hinges on the availability of job contracted to the agency. The frequency and the availability of sources of casual work, through or without the hire agents, to the individual in turn influence his income. Two issues, which are peculiar to casual workers hired through GDLC, and have impacted on the regularity at which the workers get job allocation were the size of, and the ease of entry into, the informal labour market. Lourenco-Lindell (2002) has observed in Bissau, Guinea, that the conditions of day workers were going under changes mainly due to the increasing number of people entering into casual work, which has brought in its wake increased competition among them for casual jobs. According to her, not only does the increasing size of the casual workers impact on the irregularity and size of their income but also their informal work relations are intensively exploited by capital with sanctions from the state.

It is important to recall that the gang system, as it operated, had a way of restricting entry into the informal labour market at the Tema port. The requirement for one to be accepted into the gang system was based on the individual's eagerness to adhere to the tenants of the gang culture. The new casual worker who was brought on board was placed on replacement and had to follow the gang for about three years to prove his worth; which was judged by his commitment to the cultural codes of the gang. This was a screening process that sought to restrict entry into the gangs and the general informal labour market. The role of the headmen was very prominent in the whole screening process. Under GDLC, the situation has changed. The agency's gate is wide opened such that it has increased the ease of entry leading to the creation of a large reserve of casual workers. This has manifested itself in the creation of about 104 gang groups as against 20 that existed before the establishment of the agency. Most of the agency casual workers interviewed repeatedly complained about the increasing irregularity of getting job allocation these days, which is consequently affecting their income sizes. Also their chances of getting casual jobs from different sources, which used to be the case, are also on the decline. Additionally, the casual workers indicated the effects of seasonality and the drudgery nature of the casual job on the irregularity of the job. The cases below were sentiments expressed by some of the casual workers in connection with irregularity of getting casual jobs under their current arrangements with the agency.

Case one

Those days it was the job that chased us instead of us having to chase for jobs. Sometimes after close of work a message would be sent around requesting for some of us to replace some absentee permanent workers. If in your own estimation you realise that by taking up the offer would not put a lot of strain on you physically to the extent of affecting your gang work the next day, you go for it. But now to be frank, the whole of last week our gang didn't take any call sheet. This week we had only one call sheet. As I'm sitting here now, our gang has no allocation. You can come here and sit for the whole day without allocation, that is why when you came in we were playing cards. Previously we were about 20 gangs. Because of these "foreigners" (referring to streams of new entrants), they have formed the gangs to reach about 45 gangs. The highest job allocation that one can get per week is

about two. Formally if you wanted to work everyday in the week, you could get. But now they have opened their gate such that anyone who walks in looking for job is registered immediately and filled in a gang. In fact when I saw you come, I thought Ken was coming to register you as a tally clerk. Previously, as a headman, if I know that you're disrespectful, I would not take you to work. But here, if you call other headmen, they will tell you the same thing; the gang is formed before they tell you the headman to be the head. Because of that the boys don't respect our instructions. The practice that existed was that before you would be considered for a place in a gang you had to follow the gang for good three years. For instance, I had to follow my gang for good three years, my headman then (Amakye) is here he would testify to it, before I was considered a regular place in the gang. For the three years I was a replacement casual yet I was happy because it was easy to get work.

The reason is that we are too many here. I think every company has a limit on the number of people it employs at a time. That is why sometimes when you visit their notice boards it would be written "no vacancy". Here, when somebody comes today, they will give him a place. If another comes tomorrow they will register him because of that the number keeps on increasing and as a result it may take you about 3-4 days to get allocation.

Those days we were not taking monthly salaries but at the end of the month, if nothing at all my income altogether could be equated to someone who earns monthly salaries because I had several jobs. At CTS, as a headman I was receiving about 60,000 cedis and the boys 40,000 cedis per day at the time.

Case Two

This is what an executive member of the local casual workers union had to say: Those days our people were better off, because one person could run through three different companies within the day. At the end of each job he was paid by the different companies and when he bundled them together, his pocket was very good. But now we are all under one umbrella, all the client companies have to come here to recruit the workers. It is something like job rationalisation which is not helping our people. When we were under the trees the companies were having their special gangs and human relations was very good because they knew that if they fail to treat the workers well, they would not get them to work with. I remember in those

days there was a company that was even paying during the night. Here they have to wait for three days until when the money is paid to them. When it comes to payment of annual bonuses and allowances, it is always a problem. It gives wrong signals that the people have fishy motives behind whatever is being done here. The client companies are the greatest beneficiaries because they have put up this agency and appointed people to manage it for them. Whose interest do you think the agency would serve?

Case Three

Getting job allocation is not fixed. It depends on the situation. There are seasons where there are jobs and seasons where there are no jobs. Sometimes for three continuous months, you may be lucky to get allocation for a day or two. The whole of February, for instance, I worked only twice. The two were not even continuous; I was allocated work the first and the last week in February. But for other gangs, such as those who work at the container depot (where they discharge transit goods) and in other warehouse, get job often to do. When there are enough jobs, we work so hard for instance to pick four call sheets per day. Picking four call sheets is excessive work. It becomes extremely difficult to work the next day even though there are jobs to be done. So they will be looking for workers and would not get them. Some of them would feel so tired that they would prefer to stay at home for one or two weeks. Jobs may be available but you can't come and work because of the tiring nature of the job. They would come back only when the money they had accrued from their previous allocation is finished.

There may be enough jobs to do, at least at the individual level, but the tiring nature of the job may affect the frequency at which the worker may avail him to the job.

The irregularity of the casual work has impacted differently on the casual workers. The replacement casuals seem to have been hit greatly by the infrequency of getting casual jobs. A regular casual who was once a replacement worker had this to say: *For the three years, I was a replacement casual yet I enjoyed because it was easy to get work.* The same cannot be said of the current replacement casual workers. The general decline in getting job allocation has increase the competition for replacement jobs especially

between the regular casual workers and the replacement casual workers. In situations of vacancies in other gangs, the regular gang members from the other gangs without job allocations are given preferences over the replacement casuals. The headmen who used to be very powerful and could make enough income from their clandestine dealings have also been affected. Not only had they lost the respect they used to command from the gang members, but also have had their incomes dwindling, because the other “ways and means” through which they used to make extra incomes have been removed. Secondly, they are unlikely candidates to be considered in the event of vacancies in other gang groups. His position as a gang leader limits his movement from one gang to another. The least affected within the gang is the regular casual workers. This is what an interviewee had to say in support of the above analysis:

I overrule the possibility of those on replacement lists getting job allocation on a regular basis, in the course of the week, in case of absenteeism. The reason is that they are many and it is unlikely that an individual replacement casual worker would get job allocation throughout the week. There are between 120 and 150 people on the replacement list and it is highly impossible that even 50 of them would get job to do throughout the week. Hardly do we get frequent vacancies in the gangs these days. Maybe if the gang works continuously throughout the week and fatigue crops in or due to injuries, the replacement casuals are then called in. But you know the system is very hard economically, everybody wants to be around; they don't want to miss a day's job. The money is big on weekends, so everybody wants to be around during weekends, so hardly do we get vacancies in the gangs for those replacement people. For some of them, when they come here for one week and they don't get job allocation, they retreat. Some of the names are just there; we don't know them in person. For the regular gang members, I can say that their situations are not all that bad when you compare them to the headmen and the replacement casuals. Despite the fact that we have about 45 different gangs, a regular casual of say gang 40 can move to fill a vacancy in gang 33. But the headman cannot move. The headmen are not actually involved in the physical loading and unloading of cargo. Their function is supervisory in nature and hardly do get vacancies in the gangs for such position, they are always around.

The General Living Conditions of the Casual Workers

This section highlights the effects of the dwindling incomes of the casual workers on their living conditions in the face of harsh economic conditions. The casual workers interviewed gave a picture of a lifestyle that is being lived on the edge. Their take home wages hardly take them beyond the gates of the agencies' premises (refer to page 59, whereby after settling their debts they are left with little incomes in their pockets during pay days to take home). The sentiments expressed below by an executive member of the local union of the casual workers, at GDLC, and a casual worker attest to the general deterioration of the living conditions of the casual workers.

We have been taken stock of activities for this year compared to the previous years using the financial background of our people. Those days hardly do you see members coming to the union for financial assistance but this year it has been rampant which tells you that people are worse off. Those days at the end of the year when bonuses and leave allowances were paid, some of the casual workers could tell you that they were worth about 2 million cedis. Generally, when landlords wanted increment in their rents or rent advances, they could quickly mobilise funds and pay them. This time they are finding it difficult to pay their rents. Then come to talk about school fees, it is one of their headaches. We all know of the economic hardships now. The pay is not enough to take care of their daily expenses let alone to have something for savings. Some of them are even having breaking marriages and other family problems. Sometimes we (the executive members of the local union of the casual workers) have to sit in those issues to arbitrate to bring the families together. Other times too, we have to go in to help financially otherwise you will have broken families. I would say that the welfare of our people is in serious crisis. Those days, if you asked headman for 100,000 cedis he could offer it to you easily. But now go and ask a headman for 20,000 cedis, it would be like adding insults to injuries - our people are suffering and some of us when we see them, we cannot look straight into their faces, the situation is pathetic.

The money we receive from here is too small. You imagine only 8 people loading 5,000 bags of rice and at the end you are worth only about 40,000 cedis. After receiving this amount, it may take you between 3-4 days or even one week before

you get another allocation. Some of us have children and wives to cater for, rent to pay, electricity and water bills to pay. Even in New Town, when you go to toilet you have to pay. You imagine that you have three kids, when you go to toilet you pay 300 cedis, when you take your bath, you pay 500 cedis, and how much of your money you think would be left for food. Transport to and from my place of abode is about 3,000 cedis. Some of our colleagues travel all the way from Accra to this place so you imagine the sad state of our situation...The injury cases are also a border. Paul Dagadu, a car carrier, sustained a serious injury when the wheel of the truck they had finished loading, unknown to the driver that he was behind, squeezed him. He has been walking around here; not in the position to work again. On pay days he comes around and we the friends will say: “‘Charle’ (friend) take 2,000 cedis, take 1,000 cedis or take 3,000 cedis”.

In the event of heightened deterioration of living conditions, the poor is noted to seek refuge in networks of support. In the same vein, Lourenco-Lindell (2002), has observed that casual workers in Bissau have developed horizontal networks among themselves to survive difficult work conditions. This can be said to be the situation among the casual workers in Tema. The we-feeling and the spirit of togetherness that have been developed within the gangs and the welfare functions of the local union of the casual workers at GDLC can be placed within the domain of networks of supports (work interest-base) that enable the casual workers to cope with the deteriorating working conditions. The functionality of such networks to the capital accumulation process has been recognised (see the theoretical review, pp13-14, Meagher 1995 and Lourenco-Lindell 2002). In this way informal networks of the casual workers tend to subsidise the profits of employers in the context of intense competition.

It is difficult to determine from the field evidence of the direct connection between the retrenchment exercises at the broader national level and casual work at the study area. This is probably due to the biases in the selection and the smallness of the number of respondents interviewed. However, the case below typifies an example of the influence of broader national processes on the condition and career paths of an individual agency

casual worker. His career has moved from permanent worker to a regular casual worker and finally to an agency casual worker;

Mr. Kweku is 48 years old, born on the 10th of July, 1956. His highest educational attainment was up to Form Four. In 1978, he secured a permanent job with Ghana Sanyo Company as a messenger. Due to the economic and political crises that hit the country in the late 70s, he left for Nigeria to seek greener pastures. He returned to Ghana in 1982 among about 2 million Ghanaian returnees who were repatriated by the Nigerian government. Upon his return, he managed to secure employment with Ever Ready Company as a casual worker. After working with the company for about three years he was made a permanent staff in 1985. Ever Ready Company was declared redundant and in 1991, he was retrenched. Subsequently, he moved from every nook and crony in search for a permanent job, but failed. In September, 1992 he registered with the Ghana Ports and Harbours Authority (GPHA) as a casual worker. He worked with GPHA as a regular casual worker for 10 years until 2002, when all the casual workers were retrenched as a result of the government of Ghana's avowed port reform programme with support from the IMF and the World Bank to make the Tema Port the gateway to West Africa. In the wake of the retrenchment, a new company began to recruit casual workers. Left with no alternative he went to register with this company. Mr. Kweku is dissatisfied with his new employment arrangement with the agency that recruited him but what can he do; there are limited job opportunities in the country now for people that belong to his category. According to him the pay he receives as agency casual worker is not too good. This is the way he describes his current situation: *"here you work so hard and at the end of the year they give you something like 35,000 cedis as your leave allowances and annual bonus which is woefully insufficient to cater for my family"*. He is not very much pleased with the agency's mode of paying wages because in his experience as a casual worker he used to receive his pay immediately after work but under the agency it takes 2-3 days before his money is paid to him. Once he receives his pay he uses it to settle his debt and still continues to live on "carry forward budget". When it is time to go to work and he makes attempts to board the agency's vehicle to the worksite with Chalewate (slippers), he is refused entry for the reason that he does not wear safety boots. Meanwhile they have not provided him with any safety boots. In his desperation to earn an income he would then have to walk to the worksite. At work too the feeling he gets is that of unwarranted instructions and orders from his bosses which he interprets to mean an excessive control from his bosses at work.

Job Progression and Supervision at the Worksite

The evidence gathered in the field suggested few cases of upward employment mobility among the casual workers. There were reports of casual workers who used the casual work as an entry point or as a stepping stone to secure permanent positions in the companies they were contracted or hired to. However such cases are very rare and apply to those with higher educational backgrounds. In addition, such individuals in their initial stages of entry tend to occupy “the higher echelons of the informal labour regime” which in turn acts as a springboard to their upward movement. The reaction of an official in the port business to the issue of job progression was that they often:

Come across some of the casuals who have very good educational background but for this group of casuals they use the gang system as an entry point. Within a short time, they get themselves into other companies. The entry point to the port is the gang system. The moment you get a gang you start going to the port and also starts making contacts. I know of a gang member who now works with a maritime insurance company. Some of them come around to see their friends, those who helped them in the initial stages. I know of another guy who was a casual clerk at car park, a university graduate, who as a result of his links with other companies, he is now a shipping officer with one of the shipping lines.

To other gang casual workers, the highest stage they could reach is the position of a headman or he would tend to enjoy some permanent status if his gang is made a *permanent/special* one. Some of the headmen interviewed expected the client companies to consider them to the positions of a foreman or supervisor. According to them the experience they have acquired over the years equally makes them eligible for those positions. The observation in the field was that the headmen, in practical terms, performs greater part of the supervisory role in the field. In the scheme of things, the headmen should have been given the opportunity to progress to either a foreman or supervisor. The chain of progression, they suggested, should have been a movement from ordinary labourer, to the headman and finally to foreman. “But the highest you can go is the headman. However, when you go to GPHA, there are examples whereby casuals have moved through the ranks to supervisors” (interview with a headman).

I have worked as a casual worker in this gang system for close to 11 years. I have gained some experience. The people I'm working with now are new. I'm now training them. For experience, I can say that I should be made foreman. The way Ghana is today, if you don't know anybody you can't get to that high position. When there is any promotion, those of us who have worked for a long time would not be considered. They would go and bring somebody from somewhere and introduce him as our foreman, who for instance could not tell where the port is situated. Sometimes, when you go to work, this foreman would say to you the headman: "Master I'm a new person; see to it that the boys do the job properly". Instead of us taking instructions from him, he rather seeks directions from us as to how the job should be done. This situation can be likened to a school; it is the teacher that teaches the students but not the students that teaches the teacher (interview with a headman).

We have begun proposing for a system where the foremen would come from this company. As far as job specification and instruction are concerned, the foreman that would be appointed from our outfit would liaise with the client companies to ensure smooth flow of information to the headmen and finally to the gang members. Ideally, that is how the chain should have been. Because we don't have something of that nature there is always a problem. Sometimes when you go to meet some of the foremen at the worksite, the conclusion one can draw is that they are square pegs in round holes. In a bid of our people trying to direct them the right way of doing the job to enhance the work, superiority complex crops in and it creates a lot of problems. You will find some of the foremen flexing their muscle on the workers, because they think they are the powers that be, they talk to them anyhow and sometimes meet out inhuman treatments to them (an official from GDLC).

The seeming conflict between the headmen and some of the foremen can safely be attributed to the frustrations faced by the headmen, who regard themselves as having enough working experience to progress to the top. The reason for maintaining the foremen at the worksite is probably due to the eagerness of the client companies to maintain some control over the casual workers. It is unlikely that the status quo would

change against the backdrop that supervising the casual workers hired from GDLC was becoming increasingly difficult. Some responses from the casual workers as well as the few officials of some of the client companies go to add credence to the increasing difficulty the client companies are encountering in supervision and control particularly at the worksite. However, on the whole and at the level of the labour hire intermediary, the control over the casual workers has increased.

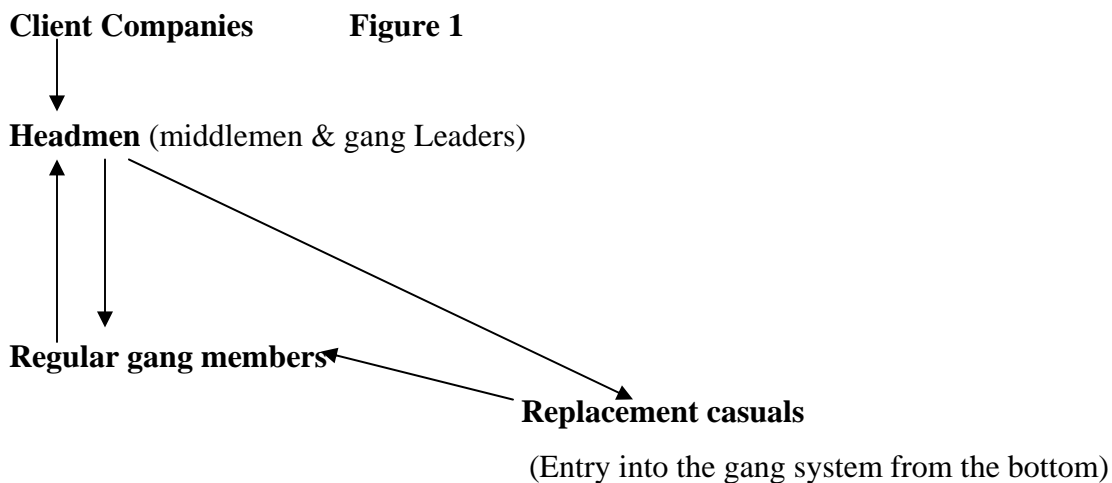
Supervision is becoming a bit difficult for us as the labour is coming from a different outfit. The casual workers we hire from the agency are insensitive to the plight of the company. For instance, previously we used to have what we called "work to finish"- that is a situation where the workers stayed a little while and finish the small quantum of work that would have been left undone even though their 12 hour working hours would have elapsed - but these days as soon as they achieve their target, they leave the worksite irrespective of whatever quantity of work is left to be finished. This was not the case when we used to have our own regular casual worker (an official of a company that patronises labour from GDLC).

Until we were retrenched as casual workers from, GHPA, none of us could have the urge to refuse to follow the foreman's instructions to perform certain jobs. I knew that if I fail to clear whatever work I'm instructed to do and the foreman reports me to the operations manager, I would be in trouble. But now the casual workers know the companies hire them from dock labour so if they do not obey the instructions of the foreman or even insult him, he knows that the following day he would go to another company (a response from a casual worker).

Those days there were companies that when they came to look for casual workers, the workers would decline to follow them, there were nothing they could do to them. But now once the agency says you are going to work for say Company A, you can't protest, whether raining or shining. In those days the workers were free to choose whoever they wanted to work with. So at the end of the day it was the company that offered good working conditions that attracted the hard working and the experienced workers. Those companies that could not offer what others were giving found themselves in the fix. Maybe they needed four gangs on board a cargo

vessel, but because of their attitude, they could raise only two gangs (an executive member of the casual workers union).

The two sides to labour flexibility strategy are that it may deepen or weaken employers' supervision and control over employees, a position that is held by Peck: "while external flexibility favors some forms of labour control...it simultaneously undermines...supervision" (1996:128). Generally, hiring of casual workers through intermediaries in Tema has increased the distance between employers and the workers and hence the control over the workers. On the other hand, at least at the worksite, the casual workers are finding their voices and are becoming more assertive - this applies in particular to those casual workers employ through GDLC. In such a situation it can be deduced that the presence of the foremen at the worksite is nothing more than another stretch of arm of control by employers to get a grip over the casual workers, if their role is practically performed by the headmen, who are deemed more experience. Figure 1 illustrates the structure of the organisation of casual workers, as it pertains to Tema Harbour.



The organisation and structure of casual workers as it pertains to warehouses and the harbour in Tema. Arrows facing downwards represent the arm of control, and upwards the path of progression in the gang. In the case of the Main Harbour, the structure has been modified as a result of the establishment of GDLC; however the structure as depicted by figure 1 is incorporated into its operation. The insertion of the agency

has increased the distance between the employers and the employee, but has not decreased employers control over the workers.

In the case of GDLC, the practice that is becoming famous is the situation whereby some of the client companies repeatedly request for gangs that are either tagged special or permanent gang. Whilst the former are still maintained under the agency and are repeatedly booked by the client, the latter are maintained permanently at the clients offices, with the role of the agency merely in the area of managing the pay rolls of such casual workers. A case in point is the Ghana Ports and Harbours Authority and Ghacem (a cement producing company), which has some *permanent/special gangs* with GDLC. The advantage here to the special gangs, unlike those who belong to the pool of casual workers and whose gangs had to be on the allocation queue for a long period, is that they are immediately booked for work anytime the client has job for them regardless of whether it is their turn on the allocation queue or not. The inbuilt discipline, the experience, the team work and the adaptation of the special gangs to the work ethics of the firm are the areas the client companies benefit from. This is what a member of a special gang, who works for Ghacem, had to say:

...the foreman says that there are some people that if they take to the worksite they create confusion. He says he does not want that to happen that is why they have maintained our gang. According to him, keeping our gang enables him to know us better so should in case something happen he will know what to do. For two years now since we started work with Ghacem there has not been any confusion between us and them - "all day good". They like the way we work that is why they have not changed our gang. Gang 40 and my gang, 41 have been working with Ghacem as permanent gang (interview with a gang member).

Health and Safety Issues

The intermediary hire agents contacted indicated that they provide safety apparels to their hired workers, for which they charge the client companies, or have entered into some agreements for the client companies to provide them. From the perspectives of the casual

workers, the claim by the agencies to provide safety apparels does not fully match what is in practice;

When it comes to protective clothing, they are not doing well for us. For more than a year or two, overalls (mostly needed for night shifts), safety boots, helmets and gloves have not been provided. Sometimes when we go to the field and see the nature of the job, we talk directly to the owners that the job needs certain safety apparels and as human as they are they listen and organise such things for us. But for some companies they would not accede to our complaints. They would demand that we undertake the task regardless of how we manage to do it. Sometimes too, they refer us to the agency, claiming that they have paid the agency to provide those things.

Sometimes, when we go to work, certain jobs that we are suppose to use forklifts, they force us to perform them manually. If you dare complain they would say: “Hei! You no bi from dock labour, make you do am” (Pidgin English, meaning that regardless of the risky nature of the job, as long as we are from dock labour we ought to do it). The work we do here is very risky. For instance, instead of allowing us to use cages to perform certain tasks, they would bring spreaders and ask us to stand on them to perform the tasks. The accident reports are unimaginable. There was an instance where a worker fell from a truck and when he reported the accident, he was told that since blood did not gash out, there was no accident and therefore was not given insurance even though the guy suffered from internal bleeding.

The gloves they gave us have been destroyed. They have given us helmets but they are of low quality. If you wear them to work, within five minutes you would remove them because they are poorly aerated and uncomfortable. They have given some friends singlet and I.D. cards but they are in the minority. There are occasions that they would say “no I.D. cards no work”. It is not we the workers who have to look for I.D. cards ourselves. It is the same people who say “no I.D. card no work” who are suppose to provide us with the cards. During certain periods, those of us without I.D. cards would not be booked for work (the underlying intent

of the issuance of I.D. cards to few individuals is probably nothing more than a strategy to ration jobs during lean seasons).

Our main problem here is that they don't provide us with safety boots. Most of the injuries at this place are leg-related. Some of our colleagues have suffered serious leg injuries. When you report to management, they would ask why the person didn't wear safety boots, meanwhile, it is them who have to provide them, but they don't provide them. We are told that the client companies are charged for safety apparels including safety boots. When it comes to the discharge of hazardous cargo such as ammonium products and cotton seeds, the effusions and the dusts that emanate from them affect our eyes. When you go the worksite, you will see people working bare-footed. The money they give us is insufficient – it is used to buy food and nothing is left for savings to buy safety boots which cost about 250,000 cedis. We expect that they give us rain coats. Sometimes when we are booked to the worksite and it happens to rain, we work in the rain without rain coats. When you get sick, they give you a form to go to the hospital. But at the hospital we are not given any proper medicine. They give you paracetamol and volume 5. Previously, we could request directly from the companies for safety boots, but under our current arrangement with the agency it cannot be done. There were certain occasions that we asked the companies for safety boots, but their answer was that they have paid the monies for safety boots to the agency.

The Drive for the Services of the Labour Intermediary Agents

The natural reaction by the casual workers to their *not too good* employment conditions would have been to bypass the labour intermediaries, but their lack of contacts, the frustrations associated with job search and the limited job opportunities, make the services of the labour intermediaries indispensable. In fact it is a choice between two evils - either stay home unemployed with nothing to feed oneself and the family or work through the labour intermediaries to get some income to subsist on, and the latter seemingly appeals to them. When the workers were asked why their continued reliance

on the labour intermediaries, despite the lack of improvement in their employment conditions, their responses were as follows;

Now there are no jobs available, so if I leave dock labour today, it means I'm going to stay in the house. Even though I get the feeling that they are exploiting me, but I can't sit in the house and starve to death nor engage in theft. The only thing I can do is to put my face in water and do this work till the time that I would get a better place or job elsewhere to do.

I'm not very satisfy under the conditions I work, but the situation in Ghana is such that if you leave you won't get a job to do so you have no option than to make do with what is available.

Similarly, another casual worker who wanted to apply directly to work with a certain multinational company could not get it until he applied through L'aine Services. He indicated the indispensability of getting job at the company through the agency:

Without L'aine Services, you can't get a job there. A manager friend at the company told me that they don't take casual workers directly unless I apply through L'aine Services. Accordingly, I went to register with the agency and after a while they called me and told me that they had secured a job in the said multinational company for me.

As indicated under the method section, it was difficult to get the client companies, except few, to interview. However, as it can be gathered from the above empirical analyses, implicitly or explicitly, the motivation on the part of firms to seek contract or casual workers through labour intermediaries is partly cost related. When he was asked as to whom he thinks are the greatest beneficiaries of their services, an official from GDLC at the Main Harbour, responded that the client companies benefit most from their services. When he was asked further to be specific, he indicated that the client enterprises are saved from the administrative cost of managing the casual workers. In this instance, the client companies cannot be said to benefit enormously from wage cost reduction which is generally the case for hiring casual workers directly or indirectly through an agent - allowances and other benefits are factored into the payments made to the agency. For

every worker that they hire from GDLC, they pay a premium and this premium supposedly caters for the workers medical care, safety apparels, and other benefits. There is the possibility of the agency benefiting from the premium it charges to the client companies, which in turn depends on the extent to which it *manages* the welfare benefits meant for the casual workers. *The profit comes from the premium they charge the clients and this is possible only when administrative expenses and other areas related to safety, medical bills and allowances are well managed. In this instance, they may get some marginal profit* (interview with an executive member of the local union of the casual workers). Pre-financing salaries of the casual workers by the labour intermediaries is another benefit that accrues to the client companies. Besides cost related benefits, *under this system, the workers don't agitate so much and also we are able to move them from one enterprise to another with ease* (an interview with an official at L'aine Services). Thus recruiting through labour intermediary makes labour more flexible with the added advantage of reducing labour agitations. The advantages of wage cost reduction and the breaking of labour activism embedded in flexible informal labour practices are the beliefs the structuralists share.

Chapter Six

Conclusion

The study was about the activities of labour intermediaries in Tema, and their influence on the employment conditions of the informal labour, in particular, casual or contract workers. The study examined the truism in the perspective that recruiting labour externally through intermediaries, representing the institutionalisation of the recruitment of casual workers, tends to formalise the employment conditions of the workers. The syntheses of the various discourses on the process of informalisation and flexible labour strategies were used as the frame for reviewing the macro processes of informality in Ghana and the micro analyses of the flexible informal labour in Tema.

The Ghanaian informality was constructed spanning from the colonial to contemporary times. The intent is to regard informality as a historical process and not a recent creation. As discussed in chapter three, the main variables used to trace the origin of informality in Ghana during the colonial and the immediate post colonial periods are the content of the educational policy, the characteristics of students churned out of school and the failure of the modern economy to absorb the school leavers. Large pools of school leavers from towns and villages, alienated from their immediate social settings by virtue of their formal education, trek to the urban centres. The inadequacy of their skills and training made it very difficult for most of the school leavers to locate white-collar jobs in the formal sector. Besides, the formal economy was not robust enough and less diversified occupationally to absorb such a large pool of labour force. Those who failed to secure formal employment had to subsist at the margins of the urban economy, called the informal sector. This marginalist conjuncture was proved to be insufficient in explaining informality in Ghana. An enthusiasm was expressed in the Ghanaian informal sector in the 1970s as representing an ingenious realm with employment potentials for a number of individuals, especially those whose educational backgrounds disqualify them for employment in the formal sector, willing to take up jobs in this sector. The challenge to this perspective has been that it fails to capture the relationships between informal economic activities and indigenous and international capital (see discussion under the alternative structuralist perspective in chapter two).

The actions and inactions of the state vis-à-vis the retrenchment exercises implemented during the “neo-liberal epochs”(1966-1972 and 1983-beyond see the discussions in chapter three) are also another dimension to the expansion of the informal realm in Ghana. The bureaucratic policies of the Nkrumah and the Acheampong regimes led to inefficient and bloated public sector. The governments that succeeded these regimes capitalized on such inefficiencies in the public sector, and with the blessing of international financial institutions put a freeze on or down-sized public sector employment. These led to the expulsion of a number of workers especially, the unskilled and the semi-skilled staffs from, and non-absorption of new low-skilled workers unless highly necessary into, the formal sector. The large pool of retrenched workers, especially during the late 80s, added to the existing pool of labour force engaged in some sort of informal activities. The interpretation to the large army of labour in the informal realm, from the structuralist perspective, is that it affords capital the advantage to cheapen the cost of labour in the bid to maximise profits.

The growth of Tema is a direct consequence of its integration into the global economy through the construction of the harbour, the building of the township and the establishment of a number of modern industries. The modernisation process in Tema, in turn instigated other processes. Some individuals were excluded right from the commencement of the process. The indigenous people during the resettlement process were asking the government officials why they were not considered for the new houses that were being built at the new Tema Township, instead of relocating them to the new site; Manhean. This was an issue that was difficult for the officials to address. For the new immigrants, they did not even qualify to live at Manhean; their lots were woods and corrugated sheets, retrieved from demolished houses, to build their abode at Ashaiman, which incidentally has grown to become a cheap source of labour to support economic activities in Tema. The influx of immigrants at the teething face of the projects has been noted. Most of the immigrants during the 1960 trekked to Tema for employment opportunities that were being offered by the construction of the harbour and the township. The over-supply of labour force as against the availability of jobs in Tema became more evident as the building projects tapered off. To the worker with apprenticeship skills, the

effect was that of irregular employment instead of continuous unemployment resulting from the on-and-off nature of the building projects. During periods of bust, unskilled work was deemed as an alternative, even for the skilled worker. The Labour Office which was established by law to recruit semi-skilled and unskilled workers began to suffer from loss of confidence, as periods of joblessness lengthened.

The recruitment of temporary or casual workers through labour intermediaries is emerging in Ghana, at least the more institutionalised ones. Even though recent, the case in Tema exemplifies that, especially at the Main Harbour and the Fishing Harbour, the processes and structures leading to their emergence are rooted in time. The old gang system, which was loosely tied to the defunct Labour Office, is still functional. Ghana Dock Labour Company and NFSA, in their inventiveness have adopted the gang system. The gang, which is constituted of headmen, the regular casual workers and the replacement casual workers, provides the structure for the mobilisation and management of casual workers by these labour intermediaries. The significant changes are in the areas of redefinition of roles and conditions of work of these categories of casual workers. The mediating roles of the headmen have been usurped by these agencies, which mean the benefits they used to enjoy through the manipulation of the gangs have eluded them. However, they still work as the leaders of the gangs. They have maintained the leadership role because of the advantage these labour intermediaries derive from the working experience the headmen have acquired over the years. The replacement casual workers are greatly affected in terms of getting regular jobs. The “open-door” policy of, for instance, GDLC has increased the competition between the regular casual workers and the replacement casuals and in the process; the regular casual workers become the preferred candidates in the event of vacancies in other gangs. Informality in Tema, significantly correlates to Lourenco-Lindell’s (2002) observation that whilst the process of informality pertaining to Bissau, on one hand, corresponds to the flexibilisation and informalisation strategies occurring at the global level, it on the other hand takes up local specificities, deriving from the historical context and the position of the country and the city in the regional and global economy.

An interesting dimension to casual work at the Main Harbour is that most of the casual workers have worked on a *regular* basis as casual workers, for more than a decade and it is common to hear some of the respondents using the term *permanent casuals*. There was rare incidence of progression from casual or contract worker to higher positions. Those who did were individuals with higher level of education and casual work was used as an entry point to the job market. For most of the casual workers the highest rank they can reach is the headman in the particular case of Tema Main Harbour. There is also the seeming conflict between the headmen and foremen of the client companies, which patronise casual workers from GDLC. The headmen regard themselves as more experienced and in the scheme of things would have been considered for promotion to foremen. Their inability to progress has thus brought about the tension between them and the foremen. The intermediary agents at best may ensure a *continuous employment* or employment on *regular basis* (but intermittent job allocations) for some months or even years for the casual/temporary worker but rarely ensure a movement from temporary/casual employment to permanent employment.

The contract of employment of the agency casual workers exist either in oral or written form. The GDLC casual workers unlike the temporary workers from L'aine Services do not have written employment contracts. Their contract terms are informally constructed; however, their new arrangements with the agency have increased their awareness about their work entitlements, an improvement over their previous situation. This awareness has been made possible through the local union of the casual workers (see analysis in pp57-58). The factory hand workers from L'aine Services do have written employment contract, but the terms do not eliminate their job insecurity.

The wages of the agency casual workers are not uniform. It varies across and within agencies. One unique feature of casual work in Tema is that some of the casual workers have historically enjoyed benefits such as annual bonuses and leave allowances, thus contradicting the general belief that casual workers lack remunerative benefits. This does not apply to all the labour intermediary agents covered in the study, neither does it hold for those gang groups, which operate in warehouses in Tema. Such benefits as transport

allowances leave allowances, annual bonuses and social security payments are offered to the casual workers, in the case of GDLC. Superficially, the wages offered to the casual workers exceeds the national minimum wage; however, the evidence from the interviews suggested dwindling and irregular incomes, including allowances. The increasing irregularity and the lack of multiple sources of casual work underpin this trend. This is in turn influenced by the increasing number of people seeking casual work; bringing in its wake increased competition among them for casual job. Whilst the general difficulty of getting a job in the formal sector or the lack of capital to begin small ventures in the informal sector may account for the mounting number of people seeking casual job with its attendant effect on the frequency of getting casual job, there is also another localised reason to this, in the particular case of GDLC. In contrast to the old gang system mode of restricting entry into the informal labour market at Tema Main Harbour, the agency rather operates open door entry into the casual labour regime leading to the artificial creation of a large reserve of casual workers. The majority of the agency casual workers attributed the lack of securing regular job allocation to this artificial creation of large reserve of casual workers by the agency.

To most of the informal workers, the difficulty in securing formal wage opportunities and the constraints they face in taking up other informal sector activities, make casual work the only source of income. “This is a kind of labour that merchant capital has been historically keen to employ...but can also be said to constitute one type of ‘flexible labour’, the kind of jobs being created by global capital in cities of the developing world today”(Lourenco-Lindell 2002:229). This confirms my contention of singularity and irregularity of informal work as a source of income and challenges Hart’s position on multiplicity of income sources available to the individual urban worker (see page 33).

The connection between the work place and home is amply demonstrated by the agency casual workers. Their dwindling incomes hardly take them home. As a result they are faced with range of problems including threats of breaking marriages, difficulties of paying their children’s school fees, payment of house rents and the problem of raising money for transport fares to and from work. Incidentally, most of these agency workers live in poor and slums areas in Accra and Tema, where they turn to pay more for utilities such as water. Meeting daily expenses is difficult for some of these workers, especially

when payments for the work done are not effected daily. They often resort to borrowing to meet their daily expenses. During pay days, in real terms, the monies they receive do not stay in their pockets. They have to pay their debts and continue to live on borrowed money or as one interviewee put it: *live on carry forward budgets*. The emotional and financial support the casual workers enjoy from their friends in the gang group and, in the particular case of the GDLC, the local union of the casual workers, to some extent turn to cushion them against deteriorating employment and living conditions. Such work interest-based social networks also ensure that the labour power of these agency workers is appropriated at the highest level by the employers, thus confirming the functionality of survival networks to capital accumulation under deteriorating economic conditions (refer to chapter 2 for the discourse on the utility of informal support to informal labour and capital accumulation in time of crisis).

The issue of safety and health related issues come to the fore. There was a minimal adherence to the provision of safety apparels by either the labour intermediaries or the client companies. The non-provision of the safety wares poses a great challenge to the safety and health of the agency casual workers. Most of the accident cases, according to the respondents, were related either to the non-use of safety wares or lack of experience/inadequate training in handling certain risky tasks.

It can be stated, not forgetting the limitations of this study, that an attempt to formalise the informal labour, through the insertion of labour intermediaries, has tended to excruciate instead of eliminating the difficult employment and economic conditions of the temporary or casual workers. This study, like others (see pp19-21 Endresen 2000, Lourenco-Lindell 2002, Streefkerk 2002, Breman 2004) challenges the view that resorting to flexible labour practices, such as employing through intermediary agents, tends to formalise work.

There seem to be opportunities for improvement in the activities of the labour intermediaries at least for those individuals who view them as indispensable, even in its emerging state. Some of the respondents covered in the interviews gave hints as to the way forward to improve the activities of the labour intermediary agencies. For instance,

due to the strenuous nature of some of the tasks they perform, the gang members who work through GDLC suggested either a reduction in the tonnage of cargo they load and unload, or increase the size of the gang members to handle the 250 tonnes cargo. Again, since the casual workers perform manual jobs entailing lifting, their suggestion was for the agency to organise training programmes on how to lift heavy goods. Knowing that opening the gates of registration into the informal labour market decreases their chance of getting regular jobs, their recommendation is for the agency to revert to the old way of doing things - restrict entry. This option is less likely to be adopted by the agencies. The reason is that their control over the labour process is derived from creating such excess labour pool, which is made possible by the teaming number of the unemployed who walk to their premises to register.

The Republic of Ghana Labour Act, 2003 (Act 651) recognises and spells out the conditions of engagement of casual or temporary workers. Section 75(1) stipulates that “a temporary worker who is employed by the same employer for a continuous period of six month and more shall be treated under this Part as a permanent worker”. Clearly it would be difficult to bring temporary or casual workers employed through labour intermediary agencies under the umbrella of this Act, the reason being that such temporary workers are often *in the books* of the labour intermediary agencies and are hired *off-the books* of the employers. Employers therefore cannot be compelled to give them permanent employment status, even if they are generous enough to keep them in employment continuously for six months and more.

Alternatively, the various gang groups, including those operating in warehouses, and the casual workers union of GDLC could be coalesced for public action to exert pressure to demand a better share of the wealth they help to create. However, the vulnerability of the casual workers and the precariousness of their employment relations make any scaling up action practically difficult unless they receive material support in their lives, for “when the urban poor do engage in scaled-up public action, either in low-income areas or around workplace or interest-based issues, they may rock the boat”(Beall 2001:1020).

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Appendices

Appendix 1: Questionnaire

Casual/Temporary worker

	Sex	Age	Formal education	Other skills specify	
	Male		Non		
	Female		Primary		
			Secondary		
			Tertiary		
			Vocational		

2) Have you been in any form of employment before? Or do you work elsewhere. Yes
No

a) If yes, what type of work is/was it? And where is/ was it?

b) Did you use agent in finding your previous or the other job? Yes No

3) How did you come to know this *current* agent? And why did you rely on that channel?

4) Was there any special reason for registering with this labour agent?

.....

.....

.....

.....

.....

5) Do you have any commitment towards the agent?

a) What is the nature of the commitment?

i) Financial

ii) In kind (specify.....)

b) If it is a financial commitment, how much do you pay?.....

- i) How is the money paid to the agent?
 - a) Deduction at source
 - b) Other means (specify.....)
- ii) If the money is deducted at source, are you satisfied with the deduction? Yes
No
- 6) How are you paid? Monthly, weekly, daily, hour.
- 7) Can you state the amount you are paid per day?
- 8) Do you enjoy any benefits from the firm you work for other than pay? Mention the type of benefit.....
- 9) Is there any kind of agreement or contract between you and the agent? Yes No
 - i) If there is a contract, what is the length of the contract?.....
 - ii) Is there any item in the contract would you want change? Mention it and give the reason.
.....
.....
.....
.....
.....
- 10) How often do you get work?.....
- 11) What exactly do you do at this worksite?
- 12) Is there any kind of skill needed in doing what you do? If yes, what kind of skill?
- 13) Were you given any training in connection to what you do? If no how did you come to learn the skill?
- 14) Is the work you do here in a way related to your previous job?
- 15) Whom do you report your grievances to?
 - a) The agent
 - b) The enterprise I work with?
- 16) If it is the agent, why not the firm?.....

.....
.....
.....
.....
17) How are your grievances at the workplace addressed?.....
.....
.....

18) Are you satisfied with the condition under which you work? Yes No

19) If no, what are the conditions that you are dissatisfied with?.....
.....
.....

20) Why did you decide to register with or sought the work through the agent instead of applying directly to the firm?
.....
.....

21) Do you intend to continue to work with the firm under the current arrangements with the agent? Yes or No, explain your answer.
.....
.....
.....

22) Do you think your relationship with the agent has been helpful? Yes No

a) If yes, can you tell how helpful they have been to you?

b) If no, what problems would you have faced if you had not use the agent?

23) Has there been any occasion that you wish you had not entered into any arrangements with the agent? If yes, what might be the reason?

24) Any information you think I should have which we have not talked about.

The Labour agents/ agencies

- 1) The type of agent: a) bosses of work- gangs b) firm-like agencies
- 2) How long have your group or outfit been in business?
- 3) What kind of business are you involved in?
- 4) Do you have many client enterprises?
 - i) In what category do they belong to? Is it service industry or production industry?
 - ii) Which one would you consider constitute your major client?.....
- 5) Can you mention the specific service or production industry that you serve?
- 6) How many would-be workers are you able to offer employment annually, monthly or daily?
- 7) How many active workers do you have in your books?
- 8) How many workers are you able to supply on demand?
- 9) Do the workers enter into any contractual agreement with you or your agency?
- 10) If yes, what is entailed in the agreement?
.....
.....
.....
.....
- 11) If you have any agreement with the client enterprise, what are some of your obligations in the agreement?
- 12) Are there instances whereby those workers on short-term duration contracts obtain long-term contracts?
- 13) Who in your opinion benefits most from your activities? Is it your client enterprises or the workers?
- 14) Can you give specific benefits you think either the firm or the worker derives from your activities?
- 15) By what means do you get people to register with your company?
- 16) If it is by a specific means, why do you rely on that means?

- 17) What is the most common channel(s) used by the workers to contact you or your outfit?
- 18) Whose responsibility is it to administer the workers' pay roll?
 - i) If it is your outfit, what goes into determining the net wage or salary of the workers?
 - ii) What does it mean to your outfit to administer the payroll?
- 19) Does your outfit have preferences for certain characteristics of the people screen for employment? And why?
- 20) Any mention of some of the characteristics of the people you screen for employment?
- 21) What category of labour you mostly supply clients? Is it skilled, semi-skilled or unskilled?
- 22) To whom do they report their grievances?.....
- 23) If it is your outfit, through what channels are these grievances addressed?
- 24) Which area of your operations do you think is growing and what might be the possible reason for the growth?
- 25) What in your opinion are some of your outfit most challenging situations in your relationships with both clients and the workers?
- 26) Apart from wages or salaries are there any other benefits you give to the workers
- 27) Whose responsibility is it to ensure that the workers perform jobs under good working conditions?
- 28) Does your outfit have any control over the conditions under which they work?
- 29) Do your clients have any control over the people supply them?
- 30) If yes, what kind of control/authority do your clients exercise over the workers you supply them?
- 31) If no, why don't they exercise any control/authority over them and whose duty is it to ensure that the workers perform their work?
- 32) If your outfit is able to arrange a permanent employment for the temporary workers, do they still remain in your books?
- 33) What goes into determining the selection of a particular worker to a permanent status?

34) Do those who obtain permanent employment have any commitments towards your agency?

35) If they have, what kind of commitment is it?

36) Apart from economic, what do you think are the other reasons that make people seek employment through this agency?

37) Has there been any occasion whereby there have been any disagreements between your outfit and the workers? In your opinion what might have been the cause of the disagreement? And how was it dealt with?

38) Any information you think I should have which we have not talked about.

Client Companies

- 1) Since when have you been in business with this agent?
- 2) Is the agent able to meet your orders in time?
- 3) How often do your company make request to the agent?
- 4) During what periods or occasions does your company make such request to the agent?
- 5) Does your company have any special reasons for making such request on a particular occasion?
- 6) What do you think will make your company choose to employ workers through the agents instead of the traditional way of recruitment?
- 7) What are the economic and the social advantages your company derives from relying on agent employees?
- 8) Do your company request for particular labour with certain characteristics? What are these characteristics? And what is the reason behind it?
- 9) Does your company have any contractual bond with the workers supply to you or the agent?
- 10) If yes, can you be specific on the nature of the contract?
- 11) If no, how does it affect your relations with the workers?

12) Has there been any occasion where there has been disagreement between your company and the workers supplied by the agent?

13) If yes, what might have triggered the disagreement? And how was it addressed?

Do you see your company relying more on agent employees in the near future? Explain your answer?

Appendix 2: Report on demonstrating Tema casual workers carried by The Ghanaian Chronicle.



General News of Thursday, 30 May 2002



Calm Returns to Tema Port

WORK HAS resumed at the Tema Port after 'pampered' Ghana Ports and Harbours Authority (GPHA) casual workers compelled the authority to temporarily close down.

The peace was achieved when police have to fire tear gas and rubber bullets to ward off threatening dock workers whose activities endangered the port installations.

It all began on Tuesday when former casual workers of the Tema Port blocked the main entrance, preventing vehicular movement in and out and proceeded to stop stevedoring workers of the Atlantic Ports Services (APS) and Speedline from discharging cargoes from the vessels.

This was because what was considered as 'hand shakes' for them by the GPHA was not enough.

The casuals union leadership after a meeting at the Labour Department reportedly informed their colleagues of alleged unpleasant statements made by GPHA management officials that incensed them into action.

Numbering about 1000, the former casuals, some of whom had been absorbed by the new stevedoring companies trooped from one end of the port to the other singing war songs.

Their union leaders attempted taming them but in the end one of the leaders was rather beaten. On Wednesday, security buildup of the Port was called to test.

Backed by two multi-purpose vehicles (MPV), the police fired tear gas and rubber bullets to scare the surging workers.

Having exhausted their patience, police chased them outside the port to about 300 meters beyond the harbour perimeter and created a buffer zone.

The Director General of GPHA, Mr. Ben Owusu Mensah, was quoted as saying that the casuals whose action was illegal have abused privileges that they enjoyed from the GPHA.

According to him, the workers were casuals and should have been treated as casuals but for a very long time, this generosity was extended to them so it became the status quo.

The Director General said that the GPHA paid about ₵20 billion to 4,700 casual workers at both Tema and Takoradi last week as 'hand shakes' because they are not entitled to severance awards.

He stated that the authorities have a strong conviction that there are people behind the inciting of the casuals.

Owusu Mensah said that prior to payments of these hand shakes, about 6,000 names were presented as casuals but investigation led to the discovery of ghost names.

During screening, 2,100 names were ghost names detected leaving 3,900 for the Tema Port alone.

The suspicion, he said, is that architects of the ghost names are the same people who are dousing the former casuals to create a state of insecurity at the Port.

Alhaji Asuma Banda, a shipping magnate and board member of GPHA called for discipline within the maritime industry.

He wants maritime workers to channel their worries through their local Maritime Dock Workers Union (MDC).

Alhaji Banda said the casuals seem to have been pampered over the years, hence they can hold the nation's revenue live wire to ransom anytime.

Appendix 3: A sample of the terms of contract of a temporary worker

We are pleased to offer you employment with L'aine Service as a Factory Hand on contract basis with effect from 7th January, 2002 to 31st March, 2002. You will be assigned to work at A Company (the name of company withheld).

This appointment is renewable upon expiration depending on satisfactory performance and good conduct, continuous good health and the availability of the contract to L'aine Services. Your appointment will be subject to the following broad terms and condition:

- You will be responsible to the factory Manager for any duties assigned to you.
- Your remuneration will be based on an hourly rate of 3,050.00(\$0.34), subject to tax, irrespective of whether you work during weekends or week days or holidays.
- You will be required to contribute 5% of your monthly salary to the social security scheme.
- We have been made aware that the production system at company A is that your working hours will be irregular. Also due to the nature of factory work, your appointment during the period of the contract may be terminated without notice.
- All queries related to remuneration and other related work issues are to be directed to L'aine Services. Management reserves the right to terminate the appointment of anyone who contravenes this rule without notice in order to maintain discipline amongst the staff.

Appendix 4: Wages and allowances of GDLC casual workers.

Groups casual workers	Wage (basic rate)	Overtime (weekdays) per hour	Overtime (weekends) per hour	Night allowance (weekdays)	Night allowance (weekends)
G1	21,897	4106	5274	11,055	27,625
G2	24,177	4533	6044	12,205	30,510
G3	26,370	4944	6593	13,310	33,281
G4	28,612	5348	7153	14,444	36,110
G5	30,898	5793	7725	15,597	38,994